



Daily Report

East Asia

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Japan

Hata Contacts Kim, Li Over Nagano's Remarks

OW1005112094 Tokyo KYODO in English 1105
GMT 10 May 94

[Text] Tokyo, May 10 KYODO—Prime Minister Tsutomu Hata contacted Chinese Premier Li Peng and South Korean President Kim Yong-sam on Tuesday [10 May] to apologize for former Justice Minister Shigeto Nagano's remarks denying Japan's aggression during World War II, Foreign Ministry officials said. Hata said in a written message to Li and a telephone call to Kim that Nagano's remarks caused pain and anger to the peoples of Japan's Asian neighbors.

Separately, the government instructed Japanese Embassies in member states of the Association of Southeast Asian Nations (ASEAN) to explain that Tokyo's policy is to face the past and build future-oriented ties, the officials said. ASEAN links Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand.

In his messages, Hata referred to his policy speech delivered earlier in the day in which he renewed Japan's recognition that its "past actions, including aggression and colonial rule, had caused unbearable suffering and sorrow for many people."

Hata told Li and Kim that Japan would "do its utmost toward the creation of peace and for the construction of a bright future in the Asia-Pacific region."

Nagano, 71, resigned Saturday, taking responsibility for his remarks that the 1937 Nanjing massacre was a fabrication. He was succeeded by Hiroshi Nakai.

Kim told Hata in the 15-minute call that Nagano's remark was "unfortunate" when the two countries are trying to build a "future-oriented" relations and that it shocked and gave sorrow to the South Korean people, the officials said.

Kim also said Japanese leaders should not distort history and repeat actions that would hurt the feelings of the South Korean people. Hata said it was important to have a correct perception of history.

Hata said Nagano's remarks also were regrettable in view of the fact that next year marks the 50th anniversary of the end of World War II.

Hata was quoted as saying it is a time to reflect on the past and build a brighter future in cooperation with Asian nations.

Japanese Ambassador to China Michihiko Kunihiro handed Hata's message to Li to Vice Foreign Minister Tang Jiaxuan in Beijing, the officials said.

Tang told Kunihiro that China appreciates Hata's policy speech and his commitment to promote long-term, stable relations between the two countries, they said.

Tang was quoted as saying it would help Japan boost its international image and contribute to peace and stability in Asia and the world.

Japanese, Russian Governors Hold Meetings

OW1005113894 Tokyo KYODO in English 1114
GMT 10 May 94

[Text] Tokyo, May 10 KYODO—Japanese and Russian governors meeting in Tokyo were at odds Tuesday [10 May] on how to refer in a planned joint statement to a long-standing territorial dispute over four Russian-held islands off Hokkaido, Japanese officials said. Tokyo Gov. Shunichi Suzuki said the Japanese delegation wants to incorporate a paragraph on Japan's demand for the return of Kunashiri, Etorofu, Shikotan and the Habomai group of islets.

However, the Russian delegation refused the request, pointing to an estimated 8,000 cases of territorial violations by Japanese fishing boats near the southern Kurils in 1993 alone.

Both sides will study further the wording of the statement, Suzuki said.

Twelve governors headed by Moscow Gov. Anatoliy Styazhlov and 17 governors and vice governors from Japan are discussing measures to expand bilateral trade and other relations at the 13th conference, which opened earlier in the day and will run through Thursday next week.

Styazhlov told participants that Russia will have to dispel fears about political and social instability if it is to convince hesitant Japanese companies to join in exploiting the country's rich natural resources.

Hun Sen on Election, Meetings Outside Cambodia

OW1005100694 Tokyo KYODO in English 0951
GMT 10 May 94

[Text] Tokyo, May 10 KYODO—Cambodian Second Prime Minister Hun Sen expressed opposition Tuesday [10 May] to holding certain meetings outside Cambodia and holding a general election to end the conflict between the government and the Khmer Rouge, Foreign Ministry officials said. Hun Sen told Japanese Prime Minister Tsutomu Hata that he is opposed to the idea of holding a meeting in Jakarta or Paris to discuss problems involving the Khmer Rouge guerrillas, who refuse to accept Phnom Penh's authority, the officials said.

He was quoted as saying such a meeting may give the Khmer Rouge a chance to break the 1991 Paris Peace Accord. He also said the problem should be solved by the Cambodian people themselves.

The officials said, however, that it is not clear whether Hun Sen was referring to a roundtable meeting or other international conferences.

Hun Sen, in Japan since Monday to attend a meeting of the Socialist International, also said another general election proposed by Cambodian King Sihanouk cannot be held due to Constitutional limits stipulating a five-year term for parliamentarians.

Sihanouk suggested last week a new election be held with the participation of the Khmer Rouge to end the fighting.

The Khmer Rouge boycotted the U.N.-sponsored general election last May despite its signing of the Paris Peace Accord in 1991.

Hun Sen told Hata he is well aware that King Sihanouk is offering various ideas to achieve peace in Cambodia.

The Cambodian co-premier also called for a Japanese role in improving Cambodia's relations with Thailand, which have soured in recent weeks regarding the Western town of Pailin, a stronghold of the Khmer Rouge about a dozen kilometers east of the frontier with Thailand.

Cambodian Government troops occupied the guerrilla headquarters at Pailin in March but the Khmer Rouge recaptured it in April.

Cambodia has strongly protested to Thailand about forcibly repatriating 25,000 Cambodian refugees into Khmer Rouge-held areas without informing Phnom Penh.

Hun Sen told Hata although relations with the Thai Government are good, there are some elements in the Thai military and some entrepreneurs who have not stopped business with the Khmer Rouge, the officials said.

Hata told Hun Sen he has been telling Thai leaders that friendly ties with Cambodia are important and has been urging them not to obstruct efforts to achieve peace in Cambodia, they said.

Turning to bilateral affairs, Hun Sen called on Japanese companies to invest in his country, saying Cambodia's economic development achieved by receiving aid will in turn solve the problems of the Khmer Rouge.

Hata was quoted as saying he will call on Japanese companies to invest there but that he hopes Cambodia will make efforts to bring about peace.

Japan intends to cooperate as much as possible to that end, Hata was quoted as saying.

'Full Text' of Hata's 10 May Policy Speech

OW1005052894 Tokyo KYODO in English 0505 GMT 10 May 94

[Text] Tokyo, May 10 KYODO—The following is the full text of policy speech delivered by Prime Minister Tsutomu Hata at the Diet on Tuesday [10 May]:

I have been appointed as the prime minister of Japan. At this juncture in time, when we face difficult issues, both

at home and abroad, I intend to brace myself to pour every effort into this endeavor.

Before making my policy remarks, I would like to express my sincere condolences to the victims and bereaved families of the tragic China Airlines accident of 26 April, and to the injured, who remain hospitalized, I would like to express my heartfelt wishes for their full and speedy recovery. The government will make thorough efforts to promptly discover the cause of the accident, and will take every possible measure to ensure that such a tragic incident is not repeated.

The Hosokawa coalition government, borne on the shoulders of the great support of the people and carrying a standard of reform, proceeded forward in earnest, but unfortunately resigned before the task could be completed. The duty I have been assigned is, firstly, to take up the standard of reform, to position it firmly once again, and to continue to bear it high.

I come from the Shinshu region, whose great literary son, Toson Shimazaki, once issued in his hometown of Magome the profound words, "lively hometowns, warm-hearted hometowns, your-own-language hometowns." I long ago paraphrased these words into a slogan which reads, "lively politics, warmhearted politics, plain-language politics." In proceeding with reform, I intend to give importance to frankly discussing matters in plain language, enhancing understanding and walking together.

I intend to add respect for the spirit of coordination to the standard of reform, and thus bear the standard of politics of reform and coordination. Recently, we have experienced an unfortunate process among the parties of the coalition government, resulting in some groups leaving the cabinet. However, I personally intend to listen even more attentively to the opinions of both the ruling and opposition parties, and there is not even the slightest uncertainty in my decision and my oath to proceed with politics on the basis of as wide an agreement as possible. Fully aware of the gravity of the premiership and the pride of our nation, I intend to stand at the forefront, unwaveringly facing the difficult matters ahead, as I take up future-oriented issues and share both the pain and the joy of the people living in today's Japan.

Firmer Political Base To Escape From Confusion and Advance Reforms

The birth of a coalition government last summer, after 38 years of political monopoly by Liberal Democratic Party administrations, has brought a breath of fresh air to the political methods of Japan. I believe that it is of great historical significance in that it has given birth to new interest in and expectations for politics among the people, and in that it has generated great momentum for a review of the causes of stagnant administrative and socioeconomic practices.

Driven by the winds of a new era, the coalition government has devoted its utmost efforts to three reforms—political reform, economic reform and administrative reform. These efforts by the coalition government have earned it support from a great many people, and it has succeeded in setting out clear directions for the various areas of reform, including passage of the laws related to political reform. Though attained over a period of just eight months, I trust that these and other achievements will be well received. While the new cabinet is setting out with a new line-up, we will not forget the aspirations at the outset of the coalition government last summer, and, building on the experiences so far, will manage the affairs of state with a renewed determination.

The current state of affairs—in which Diet consideration of the fiscal 1994 budget is stalled, there are difficulties in resuming the Japan-U.S. framework talks and the situation on the Korean peninsula is uncertain—is not normal, and I am keenly aware of my responsibility as a politician to respond to these issues. At no other time has the need been so great for political leadership to move towards resolution of these issues in order to sweep away the concerns of the people and their distrust of politics. I will make my most sincere efforts to fulfill the heavy requirements of the person charged with ultimate responsibility for the government of Japan.

The first task required of the new cabinet is to lead Japan out of such difficulty and to place it, as quickly as possible, on the path to a more certain future. To achieve this, the cabinet is prepared to act in unison in searching for solutions to pending issues, and I would also like to request particular cooperation from the Diet so that fruitful political discussion may take place.

A political regime in which policy debate plays a central role is essential to ensure that Japan does not take the wrong path as it confronts the many issues that will determine its future. We cannot allow the steady flame of political reform to be extinguished, and I am determined to continue to pursue it as an issue of the highest priority. To regain the people's trust in politics, concrete action must be taken with the intent of severing the roots of political corruption. In the pursuit of reform, a number of key issues must still be tackled, and as a first step, the new cabinet, respecting the advisory report of the council to work out electoral districts for members of the House of Representatives, will promptly submit the related bills to the Diet, and will strive to enact said bills as early as possible so that the next general election can be held under the new system.

Today, Japan stands at a major historical crossroads. Both at home and abroad, it is being pressured to determine what type of society it will build for the twenty-first century and from what position it will contribute to peace and prosperity in the international community. Looking down the road at what is to come, reforms of Japan's political, administrative and socio-economic structures are part of a momentous historical trend and are issues that it is destined to face. Yet since

reform inevitably involves clashes with existing interests, courage and enthusiasm are necessary to overcome the great pains and difficulties that accompany the implementation of such reform. At this time, it is thus most important that efforts be taken to gain the understanding and support of the people about what type of society to pursue and what path to follow in the journey. With a strong commitment to open policy decision-making and through an active exchange of opinions with the people, I intend to seek out the direction for Japan's future course. Under the national consensus thus formed, I am determined to promote reforms aimed at the creation of a more prosperous and secure society and Japan's becoming a country trusted by the international community.

Construction of a More Prosperous and Secure Society

We remember clearly that at the peak of the bubble economy just a few years back, many people were under the illusion that everything was headed in the right direction and that this situation would continue indefinitely. Thereafter, however, we experienced the painful reality of history's iron rule that overconfidence is the start of failure.

Amidst such developments, the Japanese economy has experienced sufferings previously unknown, and has even gone to the point of shaking our confidence about future prospects. However, I am confident that new avenues of development will naturally swing open if we avoid sinking into pessimism and step forward with a progressive spirit towards definite goals for the future, learning from past errors and leaving behind past baggage and the burden of habit. There is no doubt that the Japanese economy has the energy and strength to carry this out.

Fortunately, we are already seeing bright signs in some sectors of the economy, and it is important that these improvements be connected to a steady process of recovery. The prolonged delay in enacting the fiscal 1994 budget at this critical juncture is alarming, and could threaten to interfere with the economic recovery and thereby have a serious impact on people's lives. The new cabinet will maintain support for the fiscal 1994 budget proposed by the previous cabinet, and will work responsibly for its implementation. To further consolidate the steps towards economic recovery, I would like to strongly appeal for full cooperation in the earliest possible passage of the budget for the new fiscal year and of bills and items already submitted to the Diet.

Bringing the Japanese economy onto a solid path to recovery and fostering the seeds of future development will also require that the private sector be encouraged to take on new challenges and make investments for the future. To accomplish this, the government must set an outlook for the future and take the initiative in making reform certain. I intend to do my utmost for the steady implementation of the various reforms—including economic reform, administrative reform, fiscal reform, tax

reform and the promotion of decentralization—proposed by the previous cabinet and still at an intermediate stage.

In terms of economic reform, while striving to effect a transition in the nature of the economy through the cultivation of new industries from a new perspective, including those industries in the information telecommunications sector as well as environmentally friendly industries, and through the promotion of further activation of small- and medium-size enterprises, which despite experiencing the difficulties of the wave of restructuring are aggressively taking a stand in developing new businesses, and promotion of the relaxation and abolition of regulations to reactivate the economy, efforts will be made with the cooperation of the private sector to reduce price differentials between domestic and overseas markets, to promote the reactivation of the market and to promote internationally harmonious economic activities. Moreover, I firmly believe that such efforts will definitely contribute to improving the lives of the people.

In order to respond to the advent of the aging society, while promoting stronger welfare policies encompassing employment, pension, health care and nursing with a view to giving greater weight to improving the lives of the people, we will also promote living environment improvements including housing, transport and sewerage. As regards the difficult issue of agriculture, which we face currently, the government will expeditiously establish fundamental measures to reinvigorate agriculture and will make every effort to revitalize agricultural, mountainous and fishing village areas, taking fully into account the effect of the Uruguay Round agreement on Japanese agriculture. Further, we view education and science and technology as investments in the future, and aim to achieve a society in which diverse individuality is respected and new forms of cultural and economic activities are brought forth.

In particular, the government will take a comprehensive approach to cultivating a society in which men and women can participate in concert so that women can take part in all sectors of society on an equal basis with men.

Among the tasks we must address, realizing sweeping tax reform is an important matter which cannot be postponed in order to actively develop welfare policies with the aim of achieving an abundant aging society, while giving consideration to improving the fiscal structure, which is in a truly dire state, and in order to ensure fiscal sources to support tax reduction, and we must create a balanced tax system. The Government of Japan, respecting the points confirmed in the platform of the establishment of the new coalition government, and in line with Diet resolutions, with the understanding and cooperation of the members of all the parties and groups, will draft a concrete plan during June and will make maximum efforts to ensure that it realizes tax reform by the end of the year, with the understanding of the people.

I recognize that administrative reform and decentralization are issues for all of the people of Japan, and I am determined to act with resolution as politician in order to adjust them to meet the needs of the times. In terms of administrative reform, we aim to achieve simplification and increased efficiency and transparency of the administration by breaking away from regulations and protective administration, as well as through the reorganization of ministries and agencies of the central government, the removal of defects resulting from over-compartmentalized administration, the streamlining of special public promotional corporations, the review of subsidiaries and the civil servants system, the reinforcement of the information disclosure system and the enhancement of administrative monitoring system. By enacting legal measures to advance decentralization, the government will strive to correct the unipolar concentration in Tokyo and to create appealing regional communities with unique characteristics by reinvigorating the special histories, cultures and local flavors of the different regions of Japan.

Establishing an Active Foreign Policy for Trust and Cooperation

Next year marks the fiftieth anniversary of the end of the Pacific war, and we are aware that Japan's past actions have, in addition to causing great sacrifice among the people, left great scars which remain even today in the hearts of the peoples of neighboring countries. The pain and anger of the peoples of neighboring countries caused by the recent remarks by a cabinet member shows this clearly, and although the remarks were retracted, it is truly regrettable that such a situation arose. I would thus like to take this opportunity to renew the recognition that Japan's past actions, including aggression and colonial rule, caused unbearable suffering and sorrow for many people. Communicating this to future generations, the path which Japan must take, based on its deep remorse, is to do its utmost towards the creation of peace and towards the construction of a bright future for the Asia-Pacific region. As the political creed of the new cabinet, I would like once again to state my oath that I will proceed with politics bearing this constantly in mind.

From the end of the war until quite recently, Japan was enveloped in the firm bipolar Cold War structure which stood between the United States and the Soviet Union. For that reason, I believe that it is an undeniable fact that Japan tended to be an onlooker to the developments of the international community. However, diplomacy and external relations are like interpersonal relations—they are issues which cannot merely be taken care of with numbers or by going through superficial niceties. Indeed, the essence of these tasks is building relations of trust, which is the key to success therein.

The Cold War structure has now collapsed and the international community is now making paramount efforts to build a new order. During the long vacation, I visited the Republic of Italy, the French republic, the

Federal Republic of Germany, the Kingdom of Belgium and other places. At a time when the new admission to the European Union of four countries was pending, president of the European Commission Jacques Delors and other leaders talked enthusiastically about the need for a new framework for peace and stability, and I witnessed their sincere endeavor to realize this hand-in-hand despite the many difficulties they faced. I once again keenly felt the greatness of the expectations which these nations placed on Japan, and the importance of international coordination. During this trip, the opening ceremony of the channel tunnel was held, which impressed me not only as a momentous undertaking adorning the end of the twentieth century, in which the United Kingdom and the continent were connected, but also as an event which symbolized the growing linkage of the international community. Japan must make efforts to promote Official Development Assistance (ODA) and to solve such global issues as the global environment by fully utilizing the technology and knowhow that it has thus far accumulated in its pursuit of the path of peace. Japan also needs to move onto center stage, play an active role for world peace and prosperity and earn the trust of the international community. In order to achieve that, we must tenaciously appeal for understanding for Japan's principles and for the role which it can play. At the same time we must coordinate with the developments of the international community, make painful decisions when necessary, and at other times maintain our determined position with fortitude.

Throughout the past half century, Japan has consistently been dedicated to peace and the United Nations has always held a high place in Japan's foreign policy. Recent developments in the international situation convince me that such a stance, rooted in the Constitution of Japan, has proven correct and, indeed, has been gaining ever-growing importance. Such achievements Japan has thus far made render our nation the grounds to strive for settling regional conflicts and promoting arms control and disarmament. On the same grounds, Japan should actively participate in United Nations peace activities. Further, I believe that Japan should positively engage itself in strengthening the functions of the United Nations, in particular, the Security Council, and should do all it can to discharge its responsibilities.

Further, the cornerstone of Japan's foreign policy lies in maintaining the alliance based on the Japan-U.S. Security Treaty; and, on that foundation, further developing the close cooperative relations between Japan and the United States and, as one member of the Asia-Pacific region, contributing to the stability and development of this region. Still, while certain serious economic issues remain unsolved between Japan and the United States, the situation on the Korean peninsula is unclear, and we are faced with issues that could threaten the future of our nation if we err in our diplomatic judgment. I will exert all our diplomatic efforts with a strong determination, in order to overcome this difficult period.

Recently, we have seen a series of seeds of trade friction between Japan and various foreign countries. This situation exists against the background of the prominence of Japan's current account surplus in the world. While this current account surplus has arisen as a result of the untiring efforts of the people within the rules of international free trade, for one nation to continue a huge surplus cannot but invite the criticism of its trading partners. Further, considering that criticism of the closed nature of Japan's markets continues unabated, it is important to make efforts, intending to achieve a phased reduction of the current account surplus, to change Japan's economic structure so that it is internationally harmonious. In this undertaking, we must change our way of thinking and, not because we were told to do so by other nations, but for our own good, we must take the initiative in promoting large-scale economic reforms, including further improvement in market access centering on deregulation and other means, and the establishment of domestic demand-led economic management. From this perspective, we will bring to fruition the recently announced outline of external economic reform measures. Through such efforts, I strive to reopen the Japan-U.S. framework talks and intend to make efforts to build even sounder Japan-United States relations.

As regards the entry into force of the Uruguay Round agreement, which is the fruit of the collective efforts of the international community to strengthen the free trading system, it is a common goal of the Uruguay Round participants to bring the agreement into force on 1 January 1995. It is the Japanese Government's responsibility to submit the agreement and related implementation bills to the Diet this year and to strive towards their expeditious approval. Furthermore, it is important that we develop discussion with other countries on issues in new areas, such as trade and environment, and trade and investment, to further strengthen the free trading system.

The current issue concerning suspicions about the development of nuclear weapons in North Korea is a challenge to the efforts of the international community for nonproliferation, and is contrary to Japan's ideal of eventually abolishing nuclear weapons. This is also an issue which could jeopardize the security of the Northeast Asian region, of which Japan is a part. In order to ensure that North Korea is not isolated internationally, the Government of Japan tenaciously pursues the solution of this issue through dialogue, together with the United States, the People's Republic of China, the Republic of Korea and other neighboring nations, and intends to make maximum efforts to realize the prevention of nuclear weapons development and the denuclearization on the Korean peninsula. At any rate, in the event that the direction of policy is decided upon in the United Nations, Japan will naturally respect that direction. Further, the government will prepare for an emergency situation in accordance with the Constitution of Japan, and will deal with this issue in close coordination and cooperation with the United States and the Republic

of Korea. Coordination will also be made, if necessary, with the countries concerned of Asia.

Foreign policy is like a living creature: while maintaining an unflinching stance, there are times when one must make the most appropriate decision for the future, flexibly in response to the situation at hand. For that reason, now is the time when political leadership is in question. In order to make our Japan a nation trusted and loved in the international community, I intend to engrave this into my heart and soul and to remain keenly aware of this, as I am determined to solve the future foreign policy issues we will face.

Conclusion

We currently find ourselves in the midst of a swell of large and turbulent change in both the international community and the Japanese community, where the old order has collapsed and yet the new order is still not in sight.

As such things happen, people are seized with uncertainty and a sense of crisis. However, depending on our state of mind, we can turn this age into one of creativity, which will open new possibilities towards a better world and toward a better society. Merely striving against the flow to no purpose would be fruitless, and similarly, merely letting ourselves be carried with the flow would result in our losing sight of the future.

At times such as now, we must uphold a clear vision for the future, muster our courage and act. I firmly believe that nobody would be opposed to our goals: Japan's actively contributing towards building a peaceful world, creating a society in which the people can experience the true meaning of abundance as we maintain our beautiful environment to ensure that our children will be bequeathed that legacy, creating a simple and wise government, fostering an active economy and protecting the weak. As we approach the twenty-first century, we are at a time when thorough discussion between the government and the people and in the Diet must be held in order to achieve this, and we must give clear shape to our vision and bring it to fruition. We can no longer afford to take a roundabout route.

Talking in plain language about politics, I intend to work to create a country, together with the people, in which anyone can live without concern and a country in which we can be proud to the world that we are Japanese.

In concluding, let me ask once again from my heart for the understanding and support of the people and of their representatives in the Diet.

Hata To 'Continue' Hosokawa's Economic Policies

*OW1005040394 Tokyo KYODO in English 0350
GMT 10 May 94*

[Text] Tokyo, May 10 KYODO—Prime Minister Tsutomu Hata told his cabinet Tuesday [10 May] he will

continue the economic policies of the Hosokawa cabinet, pursuing economic reforms through wide-ranging deregulation, government officials said.

Hata, who took over as prime minister April 28 to replace Morihiro Hosokawa, also told a cabinet meeting that he will seek to secure sustained economic growth by stimulating domestic demand, the officials said.

Hata also emphasized the need to implement the government's economic stimulation package adopted in February, obtain Diet approval of the fiscal 1994 budget, expedite compilation of economic deregulation plans and to do everything possible to implement tax reform before the end of the year, the officials said.

Koshiro Ishida, director general of the Management and Coordination Agency, told the meeting that he intends to have a government task force in charge of administrative reforms work out specific deregulation plans in June.

Regarding Japan's current account surplus, Chief Cabinet Secretary Hiroshi Kumagai told reporters there are signs that the surplus is beginning to subside.

Kumagai noted that the fiscal 1993 surplus, measuring goods, services and some unilateral transfers such as grant aid, decreased in yen terms for the first time in three years. He also said the dollar-based surplus in March dropped from a year earlier.

Government, Coalition To Endorse Budget Supplement

*OW1005020694 Tokyo KYODO in English 0148
GMT 10 May 94*

[Text] Tokyo, May 10 KYODO—Top government and ruling coalition party officials will endorse a 40-day supplement to a stopgap budget for fiscal 1994 Tuesday afternoon, government officials said. The supplementary program will cover government finances over a 40-day period through June 29 when the current regular Diet session closes, the officials said.

The government of former Prime Minister Morihiro Hosokawa had been forced to draft a 50-day provisional budget for fiscal 1994, which began April 1, because political turmoil delayed Diet approval of the main budget program. It has become very unlikely that Prime Minister Tsutomu Hata, who took over from Hosokawa last month, will be able to clear the main budget through the Diet by May 20.

It will be the first time since fiscal 1990 that the government has had to adopt a supplement to a provisional budget.

SDPJ, Sakigake Leaders Agree To Cooperate

*OW1005043194 Tokyo KYODO in English 0401
GMT 10 May 94*

[Text] Tokyo, May 10 KYODO—Leaders of the Social Democratic Party (SDP) and New Party Sakigake agreed

Tuesday [10 May] to bolster parliamentary cooperation between the two parties, party sources said.

In talks at Sakigake headquarters, SDP chairman Tomichi Murayama and Sakigake leader Masayoshi Takemura also explored prospects for a future alliance, the sources said. They said the two party leaders agreed on holding regular consultations between their officials in charge of Diet strategy and policy, as well as the holding of study meetings by parliamentarians.

The SDP wants to eventually form a joint parliamentary group with Sakigake to confront the minority government of Prime Minister Tsutomu Hata, the sources said.

Sakigake, for its part, is said to be seeking a reconfiguration of the political community by enticing Liberal Democratic Party (LDP) rebels to join the prospective alliance.

But some Sakigake members remain opposed to an alliance with the SDP because of outstanding differences in policy on such issues as defense and nuclear energy.

Sakigake's 15 House of Representatives legislators are defectors from the conservative LDP, which has strongly upheld the Japan-U.S. Security Treaty.

On Monday, Sakigake and the three-member legislative group Seibun, a breakaway from the Japan New Party, launched a unified 18-member parliamentary group in the lower house.

Also on Monday, SDP leader Murayama pledged to cooperate with the LDP, the largest opposition party, against what he called the Hata coalition government's high-handed management of state affairs.

The SDP quit the ruling coalition after the coalition's majority forces led by Shinseito moved to create a 130-member parliamentary bloc excluding the SDP. The SDP's walkout left Hata's coalition with a minority in the lower house.

Speaking at the opening of a two-day council meeting of the Socialist International in Tokyo, Murayama blasted "a revival of power politics and fascist political forces." He saw a rise in popular expectations of social democratic and liberal forces, saying the day the SDP regains power is fast approaching.

North Korea

Daily Warns Against U.S.-ROK-Japan Exercises

SK1005043594 Pyongyang KCNA in English 0425
GMT 10 May 94

["NODONG SINMUN on Rimpac Joint Manoeuvres"—KCNA headline]

[Text] Pyongyang, May 10 (KCNA)—If the United States, Japan and the South Korean puppets continue aggravating the situation by such military exercises as

Rimpac, they will invite a bitterer condemnation as wreckers of stability and peace in the Asia-Pacific region, warns NODONG SINMUN in a commentary today.

In the manoeuvres due from the end of May to the end of June in the Pacific, United States intends to tie Japan and the South Korean puppets tighter to its war chariot and use them for attaining its dominationist aim, the analyst says, and goes on:

It must not go unnoticed that the timetable of the manoeuvres was announced at a time when the United States, Japan and the South Korean puppets were bringing the situation on the Korean peninsula to the extreme pitch of strain over the "nuclear issue" of the DPRK.

The United States is now beefing up its forces in South Korea, crying for "military counteraction" against the DPRK, Japan is intensifying the anti-DPRK campaign, calling for the enactment of "a law on the case of emergency" on the Korean peninsula and the South Korean puppets are seeking military adventures after making public what they call "new operational plan".

It is a logical conclusion that the Rimpac joint military exercises projected by the United States, Japan and South Korea will be targeted against the DPRK.

The manoeuvres will result in a more strained situation in the Asia-Pacific region. Trying to frighten our republic with the demonstration of force is a dream of an idiot.

Commentary Denounces 9-14 May ROK Exercise

SK1005144294 Pyongyang Korean Central
Broadcasting Network in Korean 1223 GMT
10 May 94

[Commentary by Yun Pyong-son: "What Is the War Commotion Aimed At?"]

[Text] From 9 May, the treacherous Kim Yong-sam clique once again launched another large-scale war exercise for the first half of this year called the joint strategic exercise through the puppet's army, navy, and air force.

In an announcement by the puppets, the provocative war exercise—which is being held through a three-dimensional military operation on the ground, air, and sea with an exercise to prepare for action, a biological and radiological warfare exercise, the transfer of military forces and equipment, and the exercise of taking off and landing on an emergency airstrip in the northern area of Kyonggi Province near the Military Demarcation Line, in South Kyongsang Province, and on the West Sea of South Korea—will continue until 14 May.

The Kim Yong-sam puppet clique is babbling about someone's nonexistent surprise attack and has once again started to play with fire. This once again reveals their bellicose nature of clinging only to the road of confrontation and war.

Someone's surprise attack which the puppets are babbling about, is a [word indistinct] of threat to invade the South which has not been carried out before. This is nothing but a sophistry to justify the criminal character of the war exercise which they are carrying out.

A very grave situation is being created at this time on the Korean peninsula because of the reckless war commotion by the U.S. imperialists and the South Korean puppets. As everyone knows, under the groundless excuse of the so-called development of nuclear weapons, the U.S. imperialists ruptured the third round of DPRK-U.S. talks. They indiscriminately made bellicose absurd remarks by saying that they will not decline to carry out a war, and are concentrating aggressive forces into South Korea and its neighboring area on a large scale.

The offensive helicopter, the Apache, and the new-type missile, the Patriot, were dragged in by the U.S. imperialists. They are trying to newly deploy military equipment including tanks, howitzers, and a vehicle that can fire successive rockets, into South Korea.

Recently, U.S. Defense Secretary Perry flew into South Korea and held secret talks on war, examined preparations for a war, and babbled about resuming the Team Spirit nuclear war exercise. Along with this, the puppet clique made an order to all of the puppet forces to be on 24 hour alert, and are all the more kicking up a war frenzy.

As shown by facts, there are only threats of northward invasion on the Korean peninsula. Despite this, the Kim Yong-sam clique is now conducting a joint tactical exercise of the puppet army, navy, and air force. This war exercise is aimed at making every preparation for assuming an adventurous offensive position to invade the North and at aggravating tensions.

The Kim Yong-sam group also pursues the hidden purpose to overcome the serious power crisis [simgakhan tongchi wigi] by carrying out this war exercise.

As everyone knows, there are loud voices in South Korea protesting the Kim Yong-sam traitorous group that is running toward the road of fascism, nation-selling, confrontation, and war. In particular, with great indignation with the opening of the rice and weapon markets to the U.S. masters, South Korean people, youth, and students hold demonstrations and meetings every day under the slogan "Down With Kim Yong-sam."

Youth and students are also intensifying the antiwar and antigovernment struggle with the violent death of student Chang Tok-su who was forced to join a war exercise as a momentum, and the puppets have been driven into a corner. Thus, the Kim Yong-sam group tries to turn people's attention, to overcome the worsened power crisis, and to justify its confrontation and war policy by conducting the large-scale war exercise.

This is well proved by the fact that many homeland reserve troops have been mobilized in this war exercise.

The war commotion, however, is nothing more than a desperate struggle [majimak parak] by those who have no future.

The Kim Yong-sam puppet regime that has been abandoned by the people as it turned its back on the nation cannot last long. The Kim Yong-sam group is trying to seek a breakthrough by stirring up a worthless war commotion. However, the war commotion will rather face greater protest and opposition from the South Korean people and will only result in hastening its ruin.

Daily Criticizes South's Policy Meeting on North
SK1005044394 Pyongyang KCNA in English 0431
GMT 10 May 94

[“Unpardonable Treacherous Act”—KCNA headline]

[Text] Pyongyang, May 10 (KCNA)—The South Korean puppets at “a unification and security policy coordinating meeting” charged the North with “delaying the settlement of the nuclear issue” and claimed that “sanctions of the UN Security Council are inevitable” and that “the international cooperation system should be strengthened to redouble pressure on the North.”

This is criticized by NODONG SINMUN today as an unpardonable treacherous act.

The news analyst says:

We decided to allow inspectors of the International Atomic Energy Agency (IAEA) to be present at the forthcoming replacement of fuel rod at the five-megawatt experimental nuclear power station and promptly issued entry visas to the five inspectors designated by the IAEA.

This notwithstanding, the IAEA Secretariat has not sent inspectors to the DPRK, raising an unreasonable demand. This is motivated by its sinister political scheme ignoring the unique status of the DPRK.

If the South Korean authorities truly want a solution to the nuclear issue on the Korean peninsula for the sake of the nation, they must reject the unreasonable demand of the IAEA Secretariat and do things helpful to the creation of an opportunity to find a fundamental solution to the nuclear issue. But, they are now anxious to do harm to fellow countrymen in conspiracy with outside forces. What anti-communist fanatics they are. Outcries for “sanctions” against fellow countrymen can be let out only by foolish traitors.

It must not be overlooked that at the meeting the puppets recklessly tried to decry the North-proposed peace negotiations with the United States for the establishment of a new peace arrangement that will take the place of the present armistice mechanism.

By imprudently vilifying the North-proposed peace negotiations, the puppets, who are neither a signatory to

the armistice agreement nor have the military prerogative, further revealed their dislike of the establishment of a new peace arrangement and their sinister intention for division and confrontation.

Seriousness of ROK's Nuclear Development Viewed

*SK0805061494 Pyongyang Korean Central Broadcasting Network in Korean 1224 GMT
6 May 94*

[Commentary by Kim Ho-sam: "The South Korean Puppets' Maneuver To Develop Nuclear Weapons Has Reached a Grave Stage"]

[Text] Realizing denuclearization on the Korean peninsula today is a consistent demand of the people at home and abroad. Denuclearization in Northeast Asia cannot be realized if the Korean peninsula does not become a nuclear-free zone, and if Northeast Asia does not realize denuclearization, we cannot expect peace and security in Asia and the rest of the world.

Therefore, realizing the denuclearization of the Korean peninsula is a grave task of the times. Nevertheless, while running counter to the intention and demand of the times, the South Korean puppets today are conspiring with outside forces to all the more heatedly develop nuclear weapons.

A concrete example of this is the fact that the South Korean puppets are promoting to develop a fast-breeder reactor. A fast-breeder reactor is an atomic reactor that produces high-purity plutonium, which is raw material for producing nuclear weapons.

The South Korean puppets have promoted the development of the fast-breeder reactor since a long time ago. Since the 1980's the South Korean puppets had started the development of the fast-breeder reactor and it has currently reached a very grave stage. In 1984, the South Korean puppets concluded an agreement with a European country, which possesses the most advanced technology in the world in developing the fast-breeder reactor, to introduce the high-breeder reactor. It thus started to introduce its core technology, design, and experimental reactor facilities. In the late 1980's, it completed various technological preparations and experiments necessary to develop positive reactors. Also in the 1990's, after going through the experimental stage, it started to develop it on a full-scale.

According to nuclear experts, the conceptional and budgetary design of the positive reactors has already been completed in South Korea, and the overall amount that has been invested is 118.3 billion won.

Currently, the Kim Yong-sam puppet clique is receiving support and recognition from the world's social circles on developing the fast-breeder reactor, and is carrying out diplomatic activities by bustling about here and there to demonstrate a legitimate justification.

The puppets are not only all the more producing plutonium within South Korea, but they are also bringing more of it in from other countries and are appropriately maintaining the production process itself to reprocess it.

The so-called chairman of the Foreign Affairs and Unification Committee of the South Korea National Assembly said that we cannot transfer other countries' nuclear fuel. This clearly shows how much the South Korean puppets are persistently clinging to nuclear development.

Regardless of all the facts, in an interview with THE LOS ANGELES TIMES, traitor Kim Yong-sam said that they do not have any intention at all to independently develop nuclear weapons. This is a poor excuse to avoid criticism from the world community, which is leaning toward them. This shows how much he is filled with falsehood and hypocrisy.

Papers of various countries, including the United States and Great Britain, view that plutonium already stored by South Korea amounts to 10 tonnes and that it will increase to 24 tonnes in the year 2000. As such, even though the South Korean puppets are acting as the shock brigade for their nuclear development, they are trying to mislead the world as if we have some kind of a nuclear problem.

On 4 May, traitor Kim Yong-sam said that during the past one year we have continued nuclear development and that North Korean nuclear development must be restrained in whatever way. Such a remark by traitor Kim Yong-sam is aimed at completing their goal of being armed with nuclear weapons by accelerating the development of their nuclear weapons under the protection of the U.S. nuclear umbrella by making it so that the nuclear issue on the Korean peninsula cannot reach a package settlement at the DPRK-U.S. talks in whatever way.

Nevertheless, nothing will be gained regardless of how the South Korean puppets plot to harm us with the nuclear issue. The world's people who treasure justice and truth and love peace have a clear insight of the true nature of the scheme being carried out by the South Korean puppets.

The more the Kim Yong-sam ring accelerates their nuclear development by finding fault with our so-called nuclear suspicions, the more their true nature will be revealed before the world's people. The South Korean puppets must correctly know that their reckless maneuver to develop nuclear weapons will only bring about a result of digging their own graves. They must immediately stop the play of putting the calamity of a nuclear disaster on the heads of the fellow countrymen.

Committee Denounces South Nuclear Development*SK0905053994 Pyongyang KCNA in English 0513
GMT 9 May 94*

["Nuclear Development in S. Korea Denounced"—KCNA headline]

[Text] Pyongyang, May 9 (KCNA)—Chong Sin-hyok, vice-chairman of the Committee for the Peaceful Reunification of the Fatherland, issued a statement to the press Saturday, in which he scathingly denounced the South Korean puppet clique's moves to develop nuclear arms as a heinous, anti-national crime intended to inflict a nuclear holocaust upon the entire fellow countrymen and turn the 3,000-ri national territory into a barren land.

He charged that the South Korean puppet clique have already acquired the capability to make nuclear weapons and produced and concealed several nukes in secret.

The statement said:

The International Atomic Energy Agency, reduced to a maid of the United States, has connived at the military nuclear facilities in South Korea, not announcing the result of investigation of them, while openly taking issue with the DPRK's experimental reactor for a peaceful use. This clearly shows that the agency is devoid of impartiality.

If the United States and the IAEA Secretariat have willingness to prevent proliferation of nuclear weapons and keep peace on the globe, they should, first of all, pay due attention to the South Korean puppets' nuclear development on an extremely dangerous stage and urgently take an appropriate step against it.

The statement earnestly called upon the entire fellow countrymen in the North and the South of Korea and overseas to actively turn out in the just struggle to check and frustrate the South Korean puppet clique's dangerous development of nuclear weapons.

Kim Yong-sam Remarks on Peace Proposal Denounced*SK0705052094 Pyongyang KCNA in English 0506
GMT 7 May 94*

["Shameless Utterances Reversing Black and White"—KCNA headline]

[Text] Pyongyang, May 7 (KCNA)—The traitor Kim Yong-sam at "Chongwadae" [presidential offices] on May 4 blared that the North was "engaged in nuclear development" targeted against South Korea and that the North was "violating the truce agreement, not abandoning its ambition for communization of the South". He also slandered the North's recent negotiation proposal vis-a-vis the United States to replace the Korean

Armistice Agreement with a peace agreement and establish a new peace arrangement.

Branding them as shameless remarks reversing black and white, motivated by an intention to slander and harm the North, a news analyst of NODONG SINMUN today says:

They who are hell bent on moves to plunge the nation into a holocaust of nuclear war, acting as a shock brigade of outside forces in their "nuclear racket" to isolate and stifle the DPRK, are slandering the North over its "nuclear development" and "attempt at communizing the South". This is the height of folly.

Although more than 40 years have passed since the conclusion of the Korean Armistice Agreement, the United States is still keeping up its military occupation of South Korea, far from withdrawing from there, and has reinforced its aggression forces in South Korea and ceaselessly staged new war provocation moves against the North together with the South Korean puppets. This itself is a flagrant violation of the Armistice Agreement.

It is ridiculous and impudent of the traitor Kim Yong-sam, a colonial puppet without even the military prerogative, to slander and meddle in the North's just negotiation proposal to establish a new peace arrangement which will replace the present armistice body.

In slandering the North, the traitor Kim Yong-sam sought to calm down sentiments of the people who turn out in anti-American, anti-"government" struggle and thus defuse his ever worsening ruling crisis.

But the truth cannot be concealed and the miserable end of the Kim Yong-sam puppet clique is inevitable.

ROK President Said 'Inciting Confrontation'*SK0805083294 Pyongyang KCNA in English 0809
GMT 8 May 94*

["Puppet Traitor's Ballad of National Division"—KCNA headline]

[Text] Pyongyang, May 8 (KCNA)—The traitor Kim Yong-sam invited South Korean businessmen to a party Friday and drivelled that "fantastic view of reunification should be discarded," talking about the fictitious "North's desire to communize the South," "manufacturing of nuclear weapons" and the like, according to a radio report from Seoul.

His jargon is an unpardonable criminal utterance of inciting confrontation and disivion between the North and the South and an open challenge to the 70 million fellow countrymen ardently aspiring after the independent and peaceful reunification of the country.

His remarks are a ruse to justify the schemes for division and confrontation and a desperate attempt to calm down the fighting spirit of the South Korean people against

him and bridge over the catastrophic crisis of the "civilian regime" by diverting elsewhere their attention.

This time the traitor let out a string of rubbish about "harmony between labor and capital," "industrial peace" and so on. It is, after all, nothing but a crafty jugglery to hush up South Korean workers who have turned out in the struggle for their existence, unable to eke out their livelihood any longer in the worst living position due to the colonial dependent economy.

The fact tells that unless the South Korean people resolutely break with such traitors as Kim Yong-sam, their independent demand and democratic rights cannot be guaranteed and the peace and peaceful reunification of the country cannot be realized.

The traitor Kim Yong-sam must step down at an early date as demanded by the people.

Death of ROK Student in South Criticized

*SK0905055094 Pyongyang KCNA in English 0521
GMT 9 May 94*

[**"Tragedy Produced by War-Maniacs"**—KCNA headline]

[Text] Pyongyang, May 9 (KCNA)—Chang Tok-su, a third-year student of the business economics course of Sejong University in Seoul, was shot on the chest to death while in a drill of the "reserve forces" in South Korea some days ago.

NODONG SINMUN today criticizes it as another tragedy produced by the "civilian" regime's war hysterics against the North.

The news analyst says:

The puppet Defence Ministry described "pressure of his heart by a blank shot" as the cause of the death, but it was a ridiculous sophism to conceal its criminal act in forcing the university students to fire live cartridges in a war exercise.

Loud voices critical of the "civilian"-veiled war-maniacs who caused the death by driving students to a war exercise are ringing out from South Korea.

It is a treacherous act for the Kim Yong-sam group to drive out the students as a bullet shield in a war exercise against fellow countrymen.

The traitorous clique of Kim Yong-sam is staging war exercises almost every day, crying out for "tough posture" and "military countermove" toward the North. This inflicts immeasurable disasters on the people.

Unless the racket of North-South confrontation and war is stopped in South Korea, the people cannot be freed from disasters.

Committee Condemns ROK's 'Suppression' of Workers

*SK0905052994 Pyongyang KCNA in English 0508
GMT 9 May 94*

[**"Struggle Against Kim Yong-sam Puppet Regime Urged"**—KCNA headline]

[Text] Pyongyang, May 9 (KCNA)—The Secretariat of the Committee for the Peaceful Reunification of the Fatherland Sunday issued its information No. 649 condemning the South Korean puppet clique for outrageous suppression of workers' strike for wage hike and right to existence.

According to the information, the Kim Yong-sam group sent combat police to a rally of workers observing May Day to block up streets and square.

They also kicked up a row of search for the leading forces after the rally and arrested scores of people in a few days.

"This suppression followed the instructions of traitor Kim Yong-sam, who said he would make this year 'a year with no dispute between labour and management', to take a 'strong counteraction' by 'law' against the workers' strikes, legal or illegal, small or big," the information notes, and goes on:

The Kim Yong-sam group's clamour for "building of a society for workers in a sweat" or "triunity" is a sheer deceptive propaganda.

South Korean workers, expecting nothing from the Kim Yong-sam "government", should more vigorously turn out in the struggle against the Kim Yong-sam puppet regime to retake the right to existence and establish a true democratic government, strengthening regional and sectional relations, firmly united around an independent, democratic trade union.

Japan's Military Cooperation With U.S. Decried

*SK0705011994 Pyongyang Korean Central
Broadcasting Network in Korean 0825 GMT
6 May 94*

[Unattributed talk: **"The Japanese Reactionaries Who Actively Participate in a U.S. Plot for War Provocation"**]

[Text] The Japanese reactionaries have recently participated in the U.S. plot to regard the Republic as an enemy and to crush [apsal] it. As has already been reported, Japanese-U.S. military officials concerned recently discussed the so-called Japanese-U.S. cooperative system in Tokyo to cope with the situation when conflicts break out on the Korean peninsula [choson pandoesoui pun-jaeng palsaenge taecunghan].

Japan's KYODO News Agency reported that Japan and the United States considered plans to sign a Japanese-U.S. agreement for the supply of military materials in

order for the U.S. Forces stationed in Japan and the Japanese Self-Defense Army to support each other, in areas of munition and fuel, in case of an emergency situation on the Korean peninsula. This clearly shows that the U.S. and Japanese reactionaries have openly pursued their ambition to invade our country in collusion with each other.

In particular, what we cannot overlook is that the Japanese reactionaries have disclosed their attempt to invade Korea by talking about the nuclear development or missile threat by someone at the same time when the United States' plot of crushing the Republic has been unprecedentedly strengthened. They have publicly said that in the event of an emergency situation on the Korean peninsula, Japan's dispatch of arms to the Korean frontlines and its joint military action with the U.S. Forces would be constitutional.

According to the Japanese reactionaries' plan to invade Korea, the basic strike forces of the Japanese Self-Defense Army have been mobilized and deployed into the western areas of Japan and, thus, are on alert status.

The Japanese Self-Defense Army is frequently conducting the military exercise geared towards a simulated Korean war [choson chonjaengul kasanghan] and the large-scale Japanese-U.S. joint military exercise. Furthermore, the Japanese Foreign Ministry officials concerned have greatly maintained that in case the United States carries out a sea blockade against the DPRK, Japan should reorganize the supply service system to participate in it.

As disclosed, the Japanese reactionaries have removed articles from its constitution that prohibit the exercise of collective self-defense rights under the pretext of so-called international cooperation, thus availing themselves of an opportunity in which tensions on the Korean peninsula are aggravated. As a result, they have attempted to achieve their hidden ambition for overseas expansion, by more actively participating in a U.S. war plot against the Republic.

In a 6 April meeting to revise the defense plan, the members of the Council of Defense Affairs, an advisory organization to the Japanese prime minister, talked about the concrete study of joint action which Japan would take with the U.S. Forces stationed in Japan under the pretext of our nuclear issue. Even the Defense Office has supported it.

Regarding this, Japan's YOMIURI SHIMBUN reported on 6 April: Japan should take advantage of U.S. war plots to immediately formulate a crisis management system [wigikwanri chegye]. Also, the paper reported that the Japanese Self-Defense laws and other laws concerned should be revised in order to support the U.S. Forces in case they carry out the sea blockade against our country.

Japan's KYODO News Agency reported on 6 April: A Japanese Foreign Ministry high-level official said that in case a war breaks out on the Korean peninsula, not only the Japanese Self-Defense Army's transport planes but also warships [hamson] should be mobilized to evacuate the Japanese people from foreign countries, including South Korea, and that, for this end, the law on Japan's Self Defense Army should be revised as soon as possible. Thus, he referred to the emergency situation on the Korean peninsula.

All these facts show that if the United States were to provoke a new war on the Korean peninsula, Japan intends to carry out supply service support [hubang chiwon] for the U.S. Forces, and that it intends to directly participate in a war against our country.

The Japanese reactionaries should be held totally responsible for the consequences arising from their act of positively participating in the U.S. plot for war provocation. Also, they should clearly look at the trends of the times and act with discretion.

Japanese 'Repression' of Chongnyon Denounced

SK0905151194 Pyongyang KCNA in English 1501 GMT 9 May 94

[Text] Pyongyang, May 9 (KCNA)—The Zimbabwe Association of Democratic Lawyers on May 2 published a statement denouncing the repression of the General Association of Korean Residents in Japan (Chongnyon) and Koreans in Japan by the Japanese authorities.

The statement notes that the police of Japan which styles itself a law-governed country breaks into lawful Chongnyon organisations in broad daylight and commits outrages and gangsters, running about in packs, openly commit murder and violence against Koreans in Japan.

"This is an intolerable infringement upon the human rights of the Koreans in Japan, legitimate citizens overseas of the DPRK, and outrageous acts violating the international law," it notes and stresses:

"The Japanese authorities must promptly stop suppression of Chongnyon and Koreans in Japan and apologize for it".

It strongly demands that the Japanese authorities give up immediately their hostile policy against the DPRK and stop forthwith nuclear armament directed against it.

Chongnyon Continues To Protest 'Suppression'

SK0905151594 Pyongyang KCNA in English 1504 GMT 9 May 94

[Text] Tokyo, May 7 (KNS-KCNA) [dateline as received]—Officials of the General Association of Korean Residents in Japan (Chongnyon) and Koreans in Japan continue their protest against suppression by the Japanese police.

Officials and compatriots under the Osaka prefectural headquarters of Chongnyon on May 4 demanded that the Osaka prefectural police apologize for the crackdown on the Chongnyon organization at once and return the materials which had been confiscated.

On the same day, compatriots of the Shibugawa section of the South branch of Chongnyon in Higashiosaka joined in the protest, led by a streamer inscribed with a slogan denouncing the police.

A symposium on the human rights of Koreans in Japan on May 2 released a letter of protest condemning the repression by the Japanese police as a crackdown on the Koreans in Japan and violation of their human rights.

Regarding the police search of Chongnyon as a political repression, the letter said such a repressive row itself is an expression of national discrimination and chauvinism.

Daily Condemns Remarks by Japanese Minister

SK0705104194 *Pyongyang KCNA in English 1028*
GMT 7 May 94

["Anachronistic Jargon"—KCNA headline]

[Text] Pyongyang, May 7 (KCNA)—The new justice minister of the Japanese Government, Shigeto Nagano, contended that "it is wrong to say the Pacific War was a war of aggression" and the purpose of the war lay in "liberating colonies and establishing the greater East Asia coprosperity sphere."

Commenting on his remarks, NODONG SINMUN today brands this as a crude distortion of history and an intolerable insult to the Asian peoples who underwent terrible misfortunes and sufferings due to the aggression by the Japanese imperialists.

The analyst says:

Nagano's remarks represent the view of the Hata cabinet on the war of aggression in the past and reveal the reactionary and aggressive nature of the Japanese Government. And this tells us that the Japanese Government has wholly taken over the mode of thinking of the predecessors who started the war of aggression in the past and it is standing on the extension line of the war cabinet of imperialism of the bygone days ideologically and mentally.

Openly crying for the institution of "A Law on the Case of Emergency" almost everyday, the Hata cabinet is trying to easily mobilize manpower and material resources in a war of aggression by establishing "an emergency system" and a "wartime mobilisation system".

By attempting to justify the past war of aggression as "a war of liberation" Nagano sought to establish an ideological and political logic favorable for the policy of the militarists staging a comeback to Asia.

His description of the past war of aggression as "a war of justice" for "the greater East Asia coprosperity sphere" discloses the wild design of the militarist reactionaries to revive the old order of colonial domination in which Japan behaved like the master in Asia.

It is a shame of the Japanese people that such a fellow as Nagano is holding an important post in the Japanese cabinet.

If Japan again take the road of aggression and war, failing to draw a lesson from its defeat in the past, it will suffer a more miserable defeat.

Lao Military Delegation Continues Visit

Choe Kwang Attends Talks

SK1005050394 *Pyongyang KCNA in English 0411*
GMT 10 May 94

[Text] Pyongyang, May 10 (KCNA)—Talks were held here Monday between a military delegation of the DPRK and a high-level delegation of the Ministry of National Defence of Laos.

Present on the Korean side were Choe Kwang, Politburo member of the C.C. [Central Committee], the Workers' Party of Korea and chief of the general staff of the Korean People's Army [KPA], Vice-Marshal Kim Kwang-chin and other generals and officers of the KPA, and on the opposite side were head of the delegation Choummali Sai-ngason, Politburo member of the C.C., the Lao People's Revolutionary Party and minister of national defence, Douangchai Phichit, deputy chief of the General Staff of the Laotian People's Army [LPA], Somphet Thipmala, director of the LPA General Logistics Department, Thongmani Thiphommachan, deputy director of the LPA General Political Department, and other members of the delegation.

The talks proceeded in a friendly atmosphere.

Military Hosts Reception

SK1005051794 *Pyongyang KCNA in English 0417*
GMT 10 May 94

[Text] Pyongyang, May 10 (KCNA)—The Ministry of People's Armed Forces gave a reception at the Mansudae Assembly Hall Monday in honor of the visiting high-level delegation of the Ministry of National Defence of Laos headed by Choummali Sai-ngason, Politburo member of the C.C. [Central Committee], the Lao People's Revolutionary Party and defence minister.

Addressing the reception, Choe Kwang, Politburo member of the C.C., the Workers' Party of Korea and chief of the general staff of the Korean People's Army, said the Laotian delegation's visit would mark an important occasion in developing the friendly and cooperative relations between the two armies of Korea and Laos.

The present complex international situation, in which anti-socialist moves of the imperialists and the reactionaries are getting all the more wanton, requires to further strengthen and develop cooperation between the peoples and armies of the two countries, Choe Kwang noted, adding:

We will as ever set store by the friendly and cooperative relations with the Laotian People's Army and work hard to constantly develop the relations.

Defence Minister Choummali Sai-ngasone said in his speech that the Laotian Army and people were rejoiced over the great victory the fraternal Korean people have won in the cause of socialist construction under the banner of *chuche*, true to the leadership of the Workers' Party of Korea headed by the great Comrade Kim Il-song and dear Comrade Kim Chong-il. This gives a powerful encouragement to us, he noted.

The army and people of Laos believe that the traditional relations of friendship and cooperation between Korea and Laos, established by the tireless efforts of the parties, governments and peoples of the two countries, will consistently strengthen and develop in keeping with the present new situation, he said. He stressed he would make all efforts to this end.

On the same day, Choe Kwang met and had a friendly talk with the delegation which paid a courtesy call on him.

Iranian, Tanzanian Visitors Arrive in Pyongyang

SK0905114094 Pyongyang KCNA in English 1049 GMT 9 May 94

[Text] Pyongyang, May 9 (KCNA)—A delegation of the Iran-Korea friendship parliamentary group headed by member of parliament Khodakaram Jalali, head of the Agricultural Commission of the Islamic Consultative Assembly and chairman of the group, arrived here today.

It was met at the airport by Chairman of the Korea-Iran friendship parliamentary group and Vice-Chairman of the Supreme People's Assembly Paek In-chun, Secretary General of the group and Deputy to the Supreme People's Assembly Yu Kyu-tong and the charge d'affaires ad interim of the Iranian Embassy in Pyongyang.

A delegation of the Tanzanian Youth Union headed by its General Secretary Sukuwa S. Sukuwa arrived here today.

WPK Friendship Delegation Returns From PRC

SK0805115894 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 6 May 94

[Text] The Workers Party of Korea [WPK] friendship visit delegation led by (Sok Chang-sik), deputy director of a department of the WPK Central Committee, returned home by train today from its visit to China.

Greeting the delegation at Pyongyang Station were Chi Chae-yong, deputy director of a department of the WPK Central Committee, and a councillor of the PRC embassy in our country.

Further on Visit by Indian Communist Delegation

WPK Hosts Party 7 May

SK0805105194 Pyongyang KCNA in English 0845 GMT 8 May 94

[Text] Pyongyang, May 8 (KCNA)—The Central Committee [C.C.] of the Workers' Party of Korea [WPK] gave a party on May 7 for the delegation of the Communist Party of India (Marxist) on a visit to Korea.

Addressing the party, Secretary of the C.C., the WPK Hwang Chang-yop highly appreciated the Communist Party of India (Marxist) that is positively striving for the freedom and emancipation of the Indian people, the peace and security of Asia and the rest of the world and the cause of socialism, and expressed firm solidarity for it.

"The current situation makes it incumbent upon the communist and workers' parties to strengthen the bonds of international solidarity and collectively confront the anti-socialist offensives of the imperialists," he said, adding "the Workers' Party of Korea will, in the future, too, direct positive efforts to strengthening and developing the bonds of friendship and solidarity with the Communist Party of India (Marxist)".

Head of the delegation Jyoti Basu, member of the Political Bureau of the Central Committee of the Communist Party of India (Marxist) and prime minister of the West Bengal State, spoke at the party.

Noting Korea, a bulwark of socialism, is the beacon of the world working class, he highly estimated the remarkable success achieved by the Korean people in the socialist construction under the guidance of respected Comrade Kim Il-song, the leader of the world communist movement, and the Workers' Party of Korea.

Pointing out that the Korean people are advancing under the uplifted banner of the *chuche* idea, he said:

Under the leadership of respected Comrade Kim Il-song and dear Comrade Kim Chong-il, the Korean people are thoroughly applying the principle of independence in politics, self-supporting in economy and self-reliance in defence.

Friendly and fraternal relations are existing between the Workers' Party of Korea and the Communist Party of India (Marxist) and the party members of the Communist Party of India (Marxist) are in high spirit over the socialism of Korea that is making a stride forward.

The spearhead of aggression of imperialism is now directed to socialism, he said, noting any moves of the

U.S. imperialists can not bring the valiant revolutionaries of Korea to their knees.

He denounced the U.S. imperialists' unjustifiable pressure upon the Korean people with the fabrication of the "nuclear issue" and expressed solidarity for the Korean people's struggle, stressing that no one can check the advancement of people towards socialism.

Holds Talks With WPK Delegation

SK0905050694 Pyongyang KCNA in English 0457 GMT 9 May 94

[Text] Pyongyang, May 9 (KCNA)—Talks were held here Sunday between delegations of the Workers' Party of Korea [WPK] and the Communist Party of India (Marxist).

Present there on the Korean side were secretary Hwang Chang-yop and vice department director Kim Yang-kon of the WPK Central Committee and other officials concerned, and on the opposite side the delegation led by Jyoti Basu, Politburo member of the party Central Committee and prime minister of the west Bengal State.

At the talks the sides informed each other of their party activities and exchanged views on a series of matters of common concern.

Both sides declared that socialism is the future of mankind, stressing the need to develop the friendly relations between the two parties and strengthen solidarity with the socialist forces of the world.

The talks proceeded in a friendly atmosphere.

Ambassador Says Farewell to Nicaraguan President

SK0905010694 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 7 May 94

[Text] Our country's ambassador O Song-hwan paid a farewell call to Nicaraguan President Violeta Chamorro on 29 April. At the meeting the ambassador conveyed the greetings of the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il to President Violeta Chamorro.

The president expressed deep thanks for the greetings and asked the ambassador to deliver his warm greetings to the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il.

The president said that Korea's reality shows that the road of socialism chosen by the Workers' Party of Korea and the Korean people under President Kim Il-song's wise leadership is very just. He continued: The world admires the changes taking place in Korea today. Korea has become a most powerful country by embodying the principles of independence in politics, self-reliance in economics, and self-defense in national defense. The Korean people's potential is inexhaustible and no one

can match the Korean people's strength. The development of friendly relations between Nicaragua and Korea will be eternal in the future. We will actively support in the future the Korean people's struggle for the realization of the country's reunification.

Nicaraguan President Cited

SK0905105294 Pyongyang KCNA in English 1021 GMT 9 May 94

[Text] Pyongyang, May 9 (KCNA)—Nicaraguan President Violeta Barrios de Chamorro and secretary general of the Sandinist National Liberation Front of Nicaragua Daniel Ortega Saavedra, when they met with the DPRK ambassador on April 29, praised the achievements of the Korean people in the building of socialism and expressed support to the DPRK's cause of national reunification.

"The present reality of Korea shows that the road to socialism, chosen by the Workers' Party and the people of Korea under the wise leadership of President Kim Il-song, is very just," the president said, adding:

The world is admiring the changes taking place in Korea today.

Korea has become the most powerful country by bringing into practice the principles of independence in politics, self-support in economy and self-reliance in defence.

Potentiality of the Korean people is inexhaustible and nobody can match the Korean people in strength.

We will fully support the Korean people's efforts for national reunification in the future, too.

Secretary General Daniel Ortega Saavedra said the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il put forward outstanding policies to repulse the maneuvers of the U.S. imperialists and their stooges to provoke another war and are wisely leading the Korean people's struggle for their materialization.

He voiced full support to the Workers' Party, the government and people of the DPRK in the struggle for the independent and peaceful reunification of the country and for a just solution to the nuclear issue on the Korean peninsula.

Peruvian Political Leader Leaves Pyongyang

SK0905011794 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 7 May 94

[Text] Javier Pedro, secretary of the National Executive Committee of the American Popular Revolutionary Alliance of Peru, and his party returned by plane to their country on 7 May. Pak Kyong-son, deputy director of a department of the Central Committee of the Workers' Party of Korea, saw the guests off at the airport.

Assembly Chairman Arrives in South Africa

*SK1005025394 Pyongyang Korean Central
Broadcasting Network in Korean 1300 GMT 9 May
94*

[Text] Yang Hyong-sop, special envoy of the great leader Comrade Kim Il-song and chairman of DPRK Supreme People's Assembly, arrived in Johannesburg, South Africa on 8 May to attend the presidential inauguration ceremony. At the airport, functionaries of the committee for organizing the presidential inauguration ceremony and functionaries concerned of the Foreign Ministry received Chairman Yang Hyong-sop.

Kim Il-song Sends Greetings to Nelson Mandela

*SK1005112594 Pyongyang KCNA in English 1044
GMT 10 May 94*

[Text] Pyongyang, May 10 (KCNA)—President Kim Il-song of the Democratic People's Republic of Korea on May 10 sent a message of greetings to Nelson Mandela upon his election as president of the Republic of South Africa.

President Kim Il-song said in the message that the first multi-racial general elections in South Africa and Nelson Mandela's assumption of the heavy duty as its president were an expression of the deep trust and expectation of the South African people for him and a fine fruition of the protracted struggle of its people to abolish apartheid and build a new democratic society.

He wished the South African president success in his work to eliminate all manner of racial discrimination and build a free and prosperous new South Africa and expressed the belief that the friendly and cooperative relations between the two peoples would develop in accordance with the idea of independence, peace and friendship.

Kim Il-song Receives Message From Malian Seminar

*SK0805082194 Pyongyang KCNA in English 0801
GMT 8 May 94*

[Text] Pyongyang, May 8 (KCNA)—The great leader President Kim Il-song received a message of greetings from the participants in a Malian joint seminar on the *chuche* idea and education held in Bamako. The message said:

President Kim Il-song founded the *chuche* idea, the idea of shaping the destiny of mankind, reflecting the independent demand and interest of the popular masses in the first period when he set out on the road of revolution and applied it to practical activities to build the socialist system centred on the popular masses in Korea.

The Korean-style socialism where the leader, the party and the masses are singleheartedly united gives a hope and courage to the world progressive people and clearly indicates the road ahead of the third world countries.

We extend firm solidarity with the heroic Korean people confidently advancing along the road of socialism chosen by themselves and express full support to the Korean people in their struggle to realize reunification of the country on the basis of the 10-point programme of the great unity of the whole nation.

The message wished President Kim Il-song good health and a long life.

Papers Mark Anniversary of Relations With Chad

*SK0805090794 Pyongyang KCNA in English 0829
GMT 8 May 94*

[Text] Pyongyang, May 8 (KCNA)—Papers here today observe the 25th anniversary of the establishment of diplomatic relations between the DPRK and Chad.

A bylined article of NODONG SINMUN says the establishment of diplomatic relations between the two countries at the ambassadorial level was a reflection of the common desire of the two peoples for mutual support and cooperation in the building of a new society.

Over the past 25 years the friendship between the two countries has developed and the understanding between the two peoples deepened, adds the paper.

The author of an article of MINJU CHOSON says:

Our people will strive to strengthen their relations with the Chadian people on the basis of the idea of independence, peace and friendship.

Our people wish the Chadian people greater success in their work, believing that the friendly and cooperative relations between the two countries will grow stronger and develop.

Former USSR Victory Shows Superiority of Socialism

*SK0905055294 Pyongyang KCNA in English 0526
GMT 9 May 94*

["Justice Is Sure To Win"—KCNA headline]

[Text] Pyongyang, May 9 (KCNA)—The great victory of the people of the former Soviet Union in the patriotic war (May 9, 1945) was a demonstration of the superiority of the socialist system to the capitalist system and its invincible might, says NODONG SINMUN in a by-lined article today.

The article says:

By defeating fascist Germany in the past patriotic war, the people and Army of the former Soviet Union defended the socialist state, the first of its kind in the world, relieved peoples of many countries from the danger of fascist enslavement and greatly contributed to the human cause of liberation.

After the downfall of international fascism with the end of the Second World War, the popular masses, who had been the objects of history in the past, have now become the driving forces of history, shouldering the cause of independence.

But, the old forces of imperialism still remain and they are seeking the ambition for domination over the world as ever.

They are economically blockading and strangling and militarily threatening and crushing the countries that are going against them, while fostering national and regional contradictions, confrontations and division in different areas of the world.

The facts show that the aggressive nature of imperialism has never been changed and cannot be changed.

The obtaining situation requires the people the world over to unite for an active struggle against imperialism under the banner of anti-imperialist independence.

Only when the people of the world vigorously conduct the peace-defending movement against imperialism and war, will imperialism and dominationism become impotent and the people's cause of independence and socialism advance.

Foreign Media Cite Kim Il-song on Nuclear Issue

*SK1005045894 Pyongyang KCNA in English 0409
GMT 10 May 94*

[Text] Pyongyang, May 10 (KCNA)—Foreign media reported famous works of the great leader President Kim Il-song "answers to the questions raised by the U.S. WASHINGTON TIMES news coverage group," "answers to the questions raised by the U.S. CNN news coverage group" and "answers to the questions raised by the NHK news coverage group."

The Yugoslav paper BORBA said the peaceloving remarks made recently by President Kim Il-song of the Democratic People's Republic of Korea would be conducive to stabilizing the situation of the Korean peninsula.

The Algerian TV reported the works, screening a portrait of President Kim Il-song.

The Algerian papers LE MATIN, AL CHAAB, HABAR, AL MASSAA, EL MOUDJAHID, OPINION and EL WATAN, the Peruvian papers EXPRESO and EL COMERCIO, the Nicaraguan paper BARRICADA, the Syrian papers TISHRIN and AL BA'TH, the French papers LE MONDE and LA LIBERATION, the Thai paper BANGKOK POST, the Russian paper PRAVDA, the Vietnamese paper NHAN DAN, the Hungarian papers NEPSZABADSAG and NEPSZAVA, the German paper GENERAL ANZEIGER, the Polish paper TRIBUNA and the Indian paper HINDU and other leading papers and televisions of this country reported the works under the titles "President Kim Il-song Denies Nuclear Arms

Development," "President Kim Il-song Declares North Korea Has No Nuclear Weapon," etc.

Foreign Party Leaders Greet Kim Il-song

*SK0905052094 Pyongyang KCNA in English 0501
GMT 9 May 94*

[Text] Pyongyang, May 9 (KCNA)—The great leader President Kim Il-song received congratulatory messages from foreign party leaders on his birthday.

Messages came from Eric Trevett, general secretary of the C.C. [Central Committee], the new Communist Party of Great Britain; Armando Villa Nueva, general secretary of the National Executive Committee of the American Popular Revolutionary Alliance of Peru; Luis Mateo Munos, general secretary of the Socialist Party of Peru; Gustavo Tablada, chairman of the Nicaraguan Socialist Party; Terence Marryshow, political leader of the Maurice Bishop Patriotic Movement of Grenada; George Belle, secretary general of the Barbados Workers' Party; Rene Mauge Mosquera, general secretary of the C.C., the Communist Party of Ecuador and chairman of the Broad Left Democratic Front of Ecuador; and Rigoberto Padilla Ruz, general secretary of the C.C., the Communist Party of Honduras.

They extend warmest congratulations to President Kim Il-song and wish him a long life in good health.

They also express firm solidarity with the Workers' Party and the people of Korea in the efforts for peace and reunification of the country.

President Kim Il-song received a congratulatory message also from the Executive Committee of the C.C., the Communist Party of Uruguay on his birthday.

Foreign Press, Radio Mark Kim Il-song's Birthday

*SK0905114594 Pyongyang KCNA in English 1027
GMT 9 May 94*

[Text] Pyongyang, May 9 (KCNA)—Foreign newspapers carried special writeups on the birthday of the great leader President Kim Il-song.

The Tanzanian paper DAILY NEWS carried a picture of President Kim Il-song giving on-the-spot guidance in agriculture and said:

The great President Kim Il-song is an experienced leader who enjoys deepest respect in the world. He was known as the youngest leader in the world in the 1940s and is recognized as the most veteran and authoritative leader for the world nearly half a century since then. He moves the world with his rich experiences. Having applied the chuche idea to the building of the party, the people's power and the Army, he is respected most deeply by the Korean people.

The world people respect and follow President Kim Il-song.

The Nepalese paper NEPAL SAMACHAR, the Mexican paper LA AFICION, the Nicaraguan paper BARRICADA, the Sierra Leonean paper THE NEW GLOBE, the Pakistani papers MASHRIQ, NAWA-I-WAQT and AMAN, the Zairean paper UMOJA, the Ugandan paper NGABO, the Tanzanian paper UHURU, the Russian papers GUDOK and VLADIVOSTOK and the Syrian paper AL BA'TH published commemorative articles.

The International Liaison Committee for reunification and peace in Korea released a special issue of its bulletin. It had the special titles "We Wish President Kim Il-song Good Health and a Long Life" and "Role and Feats of President Kim Il-song in Fulfilling the Cause of the Independent and Peaceful Reunification of Korea".

Congratulatory radio program was aired in different countries on the birthday of President Kim Il-song.

The FM radio of Cambodia, the television and radio of Guinea, the television of Zambia, Radio Citta Aperta of Italy, state radio of Guyana, radios of Togo, Laos, Equatorial Guinea and Mongolia, radio and television Kamchatka of Russia, the television of Pakistan, Radios Rebelde, Progreso, Cadena Habana and Ciudad de la Habana of Cuba, radios of Burkina Faso, Uganda and Vietnam, state television No. 7 of Peru, the television of Senegal, central television of Indonesia, televisions of Togo and Zaire, Television Sandino of Nicaragua, televisions of the Congo, Tunisia and Ethiopia broadcast congratulatory programs and screened Korean films and video tapes.

Political Parties, Organizations Issue Statement

*SK0905104594 Pyongyang KCNA in English 1016
GMT 9 May 94*

[Text] Pyongyang, May 9 (KCNA)—Delegates of political parties and organizations of different countries, who had attended the international seminar of revolutionary parties and organizations held in Brussels, made public a joint statement on May 4 denouncing the U.S. and its allies' moves to isolate and stifle Korea and supporting the Korean people's cause of national reunification.

The statement expressed deep apprehensions of the anti-DPRK campaign launched by the United States and its followers to isolate and stifle socialist Korea under the pretext of fictitious "nuclear suspicion".

It favoured the 10-point programme of the great unity of the whole nation which indicates a shortcut to Korea's reunification.

It demanded that the United States and its followers including the International Atomic Energy Agency stop at once their anti-DPRK, anti-socialist campaign going against the present trend of the world towards peace and justice.

It urged the South Korean authorities to send Kim In-so and Ham Se-hwan back to the North at once, set free all prisoners of conscience and accept the proposal for a

convocation of national conference advanced by the North to achieve Korea's reunification in the 1990s.

It called upon political parties, organizations and progressive forces the world over to extend solidarity to the Workers' Party [WPK] and the people of Korea in their efforts for the defence of the socialist gains and for the independent and peaceful reunification of the country and conduct an international campaign to defend socialist Korea.

Meanwhile, the chairman of the Danish Communist Party (M-L), the chairman of the Communist Party of Germany, the general secretary of the All-Union Bolshevik Communist Party, the chairman of the Bulgarian Communist Party and the chairman of the Workers World Party of the United States, who attended the seminar, expressed full support to and solidarity with the WPK and the Korean people in their efforts for the building of socialism and the independent and peaceful reunification of the country, when they met the delegation of the Workers' Party of Korea.

Kim Il-song Sends Wreath Upon Death of Deputy

*SK1005051994 Pyongyang KCNA in English 0419
GMT 10 May 94*

[Text] Pyongyang, May 10 (KCNA)—The great leader President Kim Il-song Monday sent a wreath to the bier of Yi Tong-chun, member of the Central Committee of the Workers' Party of Korea and deputy to the Supreme People's Assembly of the Democratic People's Republic of Korea, expressing deep condolences over his death.

Yi Tong-chun died on May 8 at the age of 61.

He devotedly worked at responsible posts of central and local party organizations and party organizations of the army to defend the party and the leader and firmly build up the party ranks.

Kim Chong-il Sends Wreath

*SK1005052094 Pyongyang KCNA in English 0420
GMT 10 May 94*

[Text] Pyongyang, May 10 (KCNA)—Comrade Kim Chong-il, chairman of the National Defence Commission of the Democratic People's Republic of Korea and supreme commander of the Korean People's Army, Monday sent a wreath to the bier of Yi Tong-chun, member of the Central Committee of the Workers' Party of Korea and deputy to the Supreme People's Assembly of the DPRK, expressing deep condolences over his death.

Kim Chong-il Sends Letter to TV-Radio Committee

*SK0805090694 Pyongyang KCNA in English 0826
GMT 8 May 94*

[Text] Pyongyang, May 8 (KCNA)—The dear leader Comrade Kim Chong-il sent a letter to the staff of the DPRK Radio and Television Broadcasting Committee.

Upon receiving kind solicitude again from the dear leader for the strengthening of the broadcasting service, the staff of the committee had written him a letter carrying their unanimous resolution.

They noted in the letter that the dear leader always with a deep attention to broadcasting service has constantly shown loving care and warm favors for the broadcasting lorkers. They vowed to conduct broadcasting service strictly as intended by the party and the leader in order to repay the recent solicitude and devotedly work for the accomplishment of the cause of socialism, the revolutionary cause of chuche.

After reading the letter from the staff of the committee, Comrade Kim Chong-il sent the following letter to them:

"Thank you.

Let us all work hard together for victory in the revolutionary cause.

Kim Chong-il. April 23, 1994."

The letter of Comrade Kim Chong-il was conveyed to the staff of the DPRK Radio and Television Broadcasting Committee with a due ceremony at the committee Saturday.

Kim Chong-il Sends Thanks to Military Units

SK0905052294 Pyongyang KCNA in English 0504 GMT 9 May 94

[Text] Pyongyang, May 9 (KCNA)—The dear leader Comrade Kim Chong-il extended thanks to soldiers of the So Chang-sin unit of the Korean People's Army and the Pak In-yong and Im Ung-song units of the Korean People's Security Forces, who had taken an active part in building up and caring for the revolutionary sites with a wholehearted desire to defend and honor the glorious revolutionary traditions of the Workers' Party of Korea.

Those soldiers have so far planted many trees of different species around the Revolutionary Martyrs' Cemetery, the Grand Monument on Mansu Hill and other revolutionary sites and dedicated many facilities to the sites.

Comrade Kim Chong-il also sent his thanks to the Central Committee of the League of Socialist Working Youth, the Speed Campaign Youth Shock Brigade, the Taean heavy machine complex and the Komdok mining conglomerate which had contributed to the construction of the Sangsulryong youth power station.

Kim Chong-il Responds to Soldiers' Letter

SK0905102994 Pyongyang KCNA in English 1002 GMT 9 May 94

[Text] Pyongyang, May 9 (KCNA)—Comrade Kim Chong-il, supreme commander of the Korean People's Army, replied to a letter from Corporal Kim Chol-chin and Private 1st Class Kim Kyong-chol of the Korean

People's Security Forces, who came back after they fell unconscious, caught in a storm, on the West Sea of Korea in January and were detained by the enemy.

The autographic reply letter says:

"The motherland is proud of such fine sons as you.

I firmly believe that you will glorify your life in the noble cause of defending the party and the country, cherishing the precious experience you got in the enemy-controlled area.

Kim Chong-il."

In their letter to Comrade Kim Chong-il the two soldiers said it was thanks to the rockfirm faith and will instilled in them by General Kim Chong-il and to his loving care that they could come back to the bosom of the general, at last, winning the fight with the enemy.

"With the unshakable faith that we are sure to win as long as you are with us, dear General, we rose up in confrontation with the enemy, firmly determined to come back to you, come to you even in death, if we could not come alive," they said.

They said the enemy tried to appease them with money and honeyed words in an effort to take them off from the bosom of General Kim Chong-il, but they kept the faith as his soldiers to the end and thus were embraced in his bosom again with honor.

"When we saw in the enemy-controlled area the enemy tremble for fear of you, dear General, our conviction of certain victory grew a hundred, nay, a thousand times, the conviction that our general is the greatest in the world and we will win as long as there is you, General Kim Chong-il, with us," they said.

The two soldiers pledged to remain loyal to General Kim Chong-il in whatever storm, even though the world may change hundreds of times, and become the first bombs of the 5 million bombs in safeguarding him.

Kim Chong-il Receives Gift From Widow of 'Martyr'

SK0805085794 Pyongyang KCNA in English 0813 GMT 8 May 94

[Text] Pyongyang, May 8 (KCNA)—The dear leader Comrade Kim Chong-il received a gift from the visiting Chinese woman involved in the anti-Japanese revolutionary struggle Hu Zhenyi, widow of Chai Shirong, a Chinese anti-Japanese revolutionary martyr, and her family members.

The gift was handed to an official concerned.

Meeting Marks Anniversary of Kim Chong-il Writing

SK0805120394 Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 5 May 94

[Text] The central report meeting marking the 20th anniversary of the publication of the dear leader Comrade Kim Chong-il's work on 7 May 1974 was held at the People's Palace of Culture yesterday.

Hung in front of the meeting hall were the portraits of the great leader of our party and our people Comrade Kim Il-song and the dear leader Comrade Kim Chong-il. Also hung were the slogans reading "Long Live the Great Leader Comrade Kim Il-song!" and "Long Live the Glorious Workers Party of Korea [WPK]!"

The report meeting was participated in by Comrade Kim Ki-nam, secretary of the Central Committee of the WPK, responsible functionaries in the press and publications sector, reporters, and journalists.

Hyun Chun-kuk, responsible editor-in-chief of the NODONG SINMUN who is the chairman of the Central Committee of the Korean Journalists' Union, made a commemorative report at the report meeting.

The rapporteur said: While seeing through the new demands for the building of our party's press and publications materials, the dear leader Comrade Kim Chong-il issued the historic work on 7 May 1994, thereby developing our press and publications materials as the model of a new-type chuche-oriented press and publications materials.

He noted: In the historic work, the dear comrade leader illuminated in a scientific way the nature, mission, principles for action, and basic duties of our party's press and publications materials, thus putting forward the policy as to the revolutions in newspapers, press, and publications. Because of this, a cornerstone for ages on which our press and publications materials can contribute in a genuine fashion to the implementation of the revolutionary cause of chuche, has been laid, and a revolutionary turn has been effected in the work of press and publications.

He continued full of pride: Over the past 20 years, our reporters and journalists have traversed the path to victory and glory along the road illuminated by the historic 7 May 1974 work of the dear comrade leader. And, a great golden age has been unfolded in the whole work of press and publications.

He emphasized: The proud path along which a new history has been unfurled in the building of our era's press and publications is brilliantly embroidered with the shining achievements of the leadership of the dear leader Comrade Kim Chong-il, the great master of journalism and the genius of revolution.

He then expressed the greatest honor and the warmest thanks with the heart of warm admiration and boundless loyalty to the dear Comrade Kim Chong-il, the great leader [yongdoja] and teacher of our party and people, who has strengthened and developed our party's press and publications materials as authoritative chuche-oriented press and publications materials, and has opened the bright path of socialist journalism.

The rapporteur said: The imperialists and reactionaries are now viciously maneuvering, more than ever before, to crush [apsal] our-type socialism which is marching forward victoriously upholding the revolutionary banner.

He said that our reporters and journalists, standing on the foremost frontline of ideology, should more wonderfully fulfill their duty and play their role, wielding their revolutionary pen. He touched on the way to successfully carry out the tasks facing the press and publications sector. He stressed the need to more vigorously kindle the flames of the revolutions in newspapers, press, and publications.

He said: To effect a new revolutionary turn in the work of press and publications, reporters and journalists should firmly prepare themselves as warriors of writing, who are thoroughgoing in their revolutionary view of the (?leader), and all-round reporters and all-round journalists.

The rapporteur stressed: In single-hearted unity around the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il, all should vigorously struggle to achieve a new upsurge in the work of press and publications and accomplish the socialist cause of chuche, overflowing with the conviction of sure victory and revolutionary optimism, while highly upholding the program for making the whole society chuche-oriented.

Papers Mark Anniversary of Kim Chong-il Article

SK0705103894 Pyongyang KCNA in English 1014 GMT 7 May 94

[Text] Pyongyang, May 7 (KCNA)—Papers here today dedicate articles to the 20th anniversary of the publication of the historical work of the dear leader Comrade Kim Chong-il on the building of the socialist press on May 7, 1974.

NODONG SINMUN carries a by-lined article titled "Immortal Exploit of Our Party in Building Revolutionary Media of Chuche Type" on this occasion. The paper says the work gives a comprehensive exposition of all the theoretical and practical questions arising in the building and developing the revolutionary press from the revolutionary character, basic mission and tasks of our party's press media and the principle of the press activities of chuche to the position and role and the mode of activities of journalists and editors.

The work systematized in an all-round way the idea of the chuche-based press on the basis of the chuche idea and brought a new turn in building the revolutionary press media and developing the theory on the press and thus has served as an immortal monumental work which made a great contribution to the accomplishment of the cause of modelling the whole society on the chuche idea, the article says, and continues:

Up to this date since its publication the dear leader Comrade Kim Chong-il has advanced many works and policies to accelerate the modelling of the whole society on the chuche idea through the improved and intensified press and information services and gave an energetic guidance to the work to carry them into practice and performed undying feats that will shine long in history.

His undying feat in building the revolutionary mass media is, above all, that he put forward the most correct and unique ideas and theories on the press, clearly illuminating the basic guideline of our party's press media.

His ideas and theories on the press are chuche-based idea on the press based on the man-centred philosophical principle from A to Z, the most scientific and revolutionary theory which has been evolved from a new angle and systematized with the revolutionary outlook on the leader as the basic core.

His ideas and theories on the press including the questions of taking the chuche principle as the basic cornerstone in the press activities, conducting the publication and information services under the unitary guidance of the party centre, making a good choice of cores and conducting speed campaign in the publication and information services and training all the members of society to be true revolutionaries of chuche type constitute a militant banner under which our party's press media can dynamically push ahead with the revolutionary cause of chuche, maintaining their revolutionary character without wavering in any circumstances.

His another undying feat is that he has strengthened and developed our party's press media into a model and example of the revolutionary mass media of chuche type with his outstanding and tested guidance.

He advanced the unique policy of effecting revolution in the press for the first time in history and made sure that the flame of revolution in editorials and newspapers kindled by himself in the course of guidance over the organ of the party spread over all other press sectors, so as to bring about signal innovations in all realms of mass media.

His another undying feat is that he has built up a powerful, huge Army of the revolutionary journalists and pressmen of chuche type with his great ideology and noble virtues.

All our journalists and pressmen under his infinite loving care and trust are discharging their mission and duty with credit as the lifeguards who are defending their

leaders politically, ideologically, theoretically and resolutely and as the vanguard standard-bearer of the party's ideological front who is oaking the lead in pressing ahead with the socialist cause of chuche, the cause of the illustrious leader.

Under the blockletter title "Great Programme that Ushered In Great Heyday in Building Chuche-Based Press" MINJU CHOSON devotes one page to a special write-up with articles headlined "Undying Banner", "Our Press Media are Powerful Ideological Weapon for Accomplishing the Cause of the Party", etc.

Daily Stresses 'Revolutionary Outlook' on Leader
SK0905104494 Pyongyang KCNA in English 1010
GMT 9 May 94

[**"Having Revolutionary Outlook on the Leader Is Firm Guarantee for Cherishing Loyalty as One's Faith and Obligation"**—KCNA headline]

[Text] Pyongyang, May 9 (KCNA)—Since the revolutionary cause is the cause of the leader, the revolutionaries can remain unfailingly loyal to the leader and struggle undauntedly on the revolutionary road only when they have an unshakable revolutionary outlook on the leader, stresses NODONG SINMUN in a signed article today.

The article says:

The revolutionary outlook on the leader is the foundation on which the revolutionaries cherish loyalty to the leader as their revolutionary faith and the ideological and moral basis on which they regard loyalty as their revolutionary sense of obligation.

Revolutionary faith is a noble ideological sentiments combining faith in the justness of the revolutionary cause led by the leader and the inevitability of its victory and a firm determination and will to fight it out for the victory of the revolution.

Only when loyalty is cherished as the revolutionary faith can it be true loyalty without pretence or inconstancy.

The revolutionary outlook on the leader is the most correct view and outlook on the position and role of the leader in the revolutionary struggle, an attitude and stand of holding the leader in high esteem with sincerity.

When the revolutionaries deeply grasp from theoretical and practical points of view that the leader holds an absolute position and plays a decisive role in the revolutionary struggle and the development of history, they can revere the leader unconditionally and devote their all to the leader and the revolutionary cause led by him, cherishing loyalty as their faith.

Only when the loyalty to the leader is cherished as a revolutionary faith and, at the same time, as moral obligation, can it remain true and long.

For the revolutionaries, the leader is a tender-hearted teacher and father who gives the most precious political integrity to them, brings them up and looks after them with deep loving care and trust and leads them along the revolutionary road. Accordingly, the relationship between the leader and his revolutionary soldiers is not that between right and duty, between domination and obedience, but that between loving care and obligation to repay it.

Every one must grasp the truth that the leader is the centre of socio-political organism and feel grateful to the leader's loving care and trust in practical life. Only then, can he or she deem loyalty to the leader as the rule of conduct and mission of a revolutionary, not mere sense of duty, and remain faithful to the leader to the last.

The Korean people are filled with a singlehearted desire to firmly believe only in the dear leader Comrade Kim Chong-il and follow his leadership with loyalty no matter which way the wind may blow and how many times the world may change, the article declares.

Country's 'Independent National Economy' Lauded

SK0705113694 Pyongyang KCNA in English 1046 GMT 7 May 94

[Text] Pyongyang, May 7 (KCNA)—The Korean people have effected a new upsurge in socialist construction upholding the revolutionary banner of self-reliance.

Workers and other labouring masses in different parts of the country have registered palpable successes in production and construction by displaying the revolutionary spirit of self-reliance even under the circumstances where the imperialists and reactionaries were trying hard to isolate and stifle Korea.

On the occasion of the April fete, many construction projects, including the May 18 mine in Songchon, the Undok garment factory in Pyongsong, the South Pyongan provincial dental preventive hospital and the Kaechon-Sunchon railway electrification project, have been completed and put into operation.

The workers of the Kim Chong-tae general electric locomotive works manufactured new-type tram cars and subway cars in February last.

The revolutionary spirit of self-reliance is the traditional fighting spirit of the Korean people.

The history of the Korean people building a powerful socialist country of independence, self-sustenance and self-reliance in defence on this land is a history of brilliant application of the revolutionary spirit of self-reliance.

In the first six months of 1954, less than one year after the ceasefire, the Korean people built and rehabilitated more than one hundred factories and enterprises, including the Nampo smelting complex, the Pyongyang

textile combine and the Huichon general machine tool works, and built dwelling houses with a total floor space of 620,000 square meters in towns and workers' residential quarters and schools with a total floor space of 300,000 square meters, under the difficult circumstances where everything was destroyed by the war.

In the latter half of the 50s when the raw and other materials and funds were in short supply and technical force was weak the Korean people made by their own efforts such machines as trucks, tractors, bulldozers and water pumps, and the workers of Kangson produced 120,000 tons of steel with a blooming mill with a rated capacity of 60,000 tons.

The machine industrial sector witnessed such an amazing success as producing more than 13,000 machine tools a year outside the state plan.

The builders of the Haeju-Hasong (80 kilometers) railway section completed in only 75 days the gigantic project involving a 880,000 cubic meters earthwork, the construction of a 5,600 square meters retaining wall, 38 bridges, 19 station buildings, a railway section and section gangs and dwelling houses for 200 families.

The Korean people who carried out the historical task of socialist industrialization in a matter of 14 years (1957-1970) built many factories and enterprises, including the Sunchon vinylon complex, the Namhung youth chemical complex and the Taechon general hydro-power station, and produced such modern machines as a 10,000 ton press, an extra-large oxygen plant and numerical control machine tools in the 70s and 80s, too, by their own efforts by displaying the revolutionary spirit of self-reliance.

More than 11,000 projects were completed in the industrial sector during the 3rd seven-year plan (1987-1993).

Korea now has a solid independent national economy not affected by any economic fluctuation.

KCNA Features Achievements in Railway Transport

SK0905114694 Pyongyang KCNA in English 1031 GMT 9 May 94

[Text] Pyongyang, May 9 (KCNA)—Railway workers of the Democratic People's Republic of Korea are greeting their holiday (May 11) with an increase in transportation.

According to data available at the Ministry of Railways, the daily freight haulage entering this month is 6,000 to 7,000 tons more than in the same period last month.

The General Bureau of Western Railways is topping the daily plan of freight turnover by 2,000 to 3,000 tons through well organized and commanded transportation.

The Kaechon General Bureau of Railways is overfulfilling the daily transport plan at an average of 107 percent.

The General Bureaus of Eastern and Northern Railways are carrying more freight than the plan by effectively controlling the locomotives, wagons and facilities.

Many railway stations including the Sariwon Youth Station, the Sinanju Youth Station, the Nanam Station and Pungnyon Station have hit the transport targets for the first half of the year more than two months earlier than schedule.

Railway builders have effected new innovations in the construction of railways including the Namdong-Onchon line.

Researchers Study Evolution of Korean People

SK0705002594 Pyongyang KCNA in English 1531 GMT 6 May 94

[Text] Pyongyang, May 6 (KCNA)—A human evolution history research team of Kim Il-song University recently unearthed in and around Pyongyang 42 pieces of 20 fossil men, 298 pieces of stone implements, 109 pieces of bone implements, two bone sculptures and 34,702 pieces of fossil animals belonging to the Paleolithic age and 15 pieces of six fossil men, 23 pieces of stone implements, six pieces of bone implements, 43 pieces of earthenware, one piece of ornament and 1,047 pieces of fossil animals belonging to the Neolithic age and 12 pieces of five fossil men, one piece of earthenware and two pieces of stone implements belonging to the Bronze age.

In this connection, a symposium for reading papers on the scientific research into fossil men and relics recently unearthed in and around Pyongyang took place at Kim Il-song University Thursday.

Published at the symposium were data about a profound scientific and theoretical analysis of the archaeological significance of the fossil men and relics discovered in Chungri cave, Yonggok cave No. 1 and Taehung caves Nos. 1 and 3 and the features of the bones of ancient Koreans and the results of the research into the systematic evolution of Koreans in Pyongyang.

According to them, scores of pieces of relics unearthed from the first and second cultural layers of the Paleolithic age in Chungri cave show that the cultural traditions of primitive men who left the Komunmoru relics were carried forward by their descendants in Pyongyang.

The geologic time of Yonggok cave No. 1 where ten fossil men were unearthed on the second, third and fourth cultural layers of the Paleolithic age ranges from the beginning of the Pleistocene epoch to the Holocene epoch of the Quaternary period and that of Taehung cave No. 1 where three fossil men were unearthed on the cultural layer of the Paleolithic age ranges from the end of the Pleistocene epoch to the beginning of the Holocene epoch of the Quaternary period.

In Taehung cave No. 3 fossil men, 43 pieces of earthenware and 65 fossil bones of animals were discovered. The earthenware used by ancient Koreans in Pyongyang represents their wisdom and creative talent and noble esthetics. It is patent proof that the common features of the culture of the homogeneous Korean nation were carried forward in the Neolithic age, too.

The fossil human bones and relics which have been unearthed and studied prove that the evolution of Koreans took place in Pyongyang in regular order.

This is because the features of Koreans were formed in due sequence with Pyongyang as the centre, the culture of ancient Koreans was developed systematically with Pyongyang as the centre and Pyongyang was the best place for the life of mankind.

The participants in the symposium said the symposium proved that the evolution of Koreans took place in this land, notably in Pyongyang in regular order and that Pyongyang had sufficient natural conditions and paleontological conditions for the origin and development of ancient Koreans.

South Korea

PRC 'Advised' DPRK To Follow IAEA Guidance

SK1005014394 Seoul YONHAP in English 0125 GMT 10 May 94

[Text] Seoul, May 10 (YONHAP)—China has advised North Korea not to change the fuel rods at its Yongbyon reactor without International Atomic Energy Agency (IAEA) supervision, a well-informed source here said Tuesday.

The Seoul government had asked Beijing to use its influence in the matter, the source said, but North Korea's response was not known.

Chinese Ambassador to Seoul Zhang Tingyan notified South Korean Vice Foreign Minister Hong Sun-yong that Beijing has asked Pyongyang not to replace the fuel rods at its 5-megawatt reactor in Yongbyon without IAEA supervision, the source said.

North Korea has defied IAEA demands to be present during the refueling and to take samples of the spent rods, which could help the agency trace Pyongyang's nuclear activities since 1987 when the reactor is believed to have started operating.

The agency has threatened to report North Korea to the UN Security Council unless these demands are met.

Pyongyang offered May 6 to let the IAEA be present when the fuel rods are changed but would not allow the collection of any samples that might reveal past operations.

Vice Foreign Minister Hong asked the Chinese ambassador to use his influence with North Korea about a week ago, the source said.

PRC Reportedly Would Veto Sanctions on DPRK

SK1005070094 Seoul KBS-1 Radio Network in Korean 0630 GMT 10 May 94

[Text] It has been learned that China will exercise its veto power should the UN Security Council [UNSC] decide on sanctions regarding North Korea's nuclear problem.

In a meeting with Beijing-based ROK correspondents today [10 May], a high-ranking official in the Chinese Government said that China is making diplomatic efforts, including behind-the-scenes contacts, so that dialogue between North Korea and the United States is realized before 15 May, the deadline for allowing inspections of the International Atomic Energy Agency.

This official, however, stressed that the Chinese Government position is that it opposes the use of pressure on North Korea as a method of solving the problem. Thus, he strongly suggested that China will exercise its veto power when the North Korean nuclear problem is referred to the UN Security Council.

DPRK 'Optimistically' Views U.S. Talks

SK1005054294 Seoul YONHAP in English 0459 GMT 10 May 94

[Text] Washington, May 9 [dateline as received] (YONHAP)—North Korea and the International Atomic Energy Agency [IAEA] may find a breakthrough in their negotiations this week and a team of IAEA inspectors could soon visit the Stalinist state, it was reported Monday.

There is also a strong possibility of considerable progress in talks between North Korea and the United States in New York on a third round of high-level dialogue designed to improve their relations.

North Korea's Deputy Ambassador to the United Nations, Kim Chong-su, refused to disclose details of the Pyongyang-Washington contact in New York on Monday.

But he indicated that considerable headway was made when he said, "History always moves ahead and (we) always look at everything optimistically."

Ranking diplomatic sources here said the North Korean nuclear issue could be referred back to the UN Security Council if Pyongyang and the IAEA cannot resolve the question of conducting additional inspections by this week.

The U.N. Security Council, in a presidential statement, has urged Pyongyang to permit additional checks of its nuclear facilities before next week.

"Since both the United States and North Korea are hoping to hold a third round of talks, there is a possibility of finding a breakthrough in their negotiations," one source said.

The United States and South Korea agreed earlier to resolve the North Korean nuclear row through dialogue without having to refer it to the Security Council.

Seoul and Washington have also reached an understanding that Washington will proceed to the next round of talks once North Korea shows some flexibility on IAEA inspections.

Details of the U.S.-North Korean negotiations are being kept secret, but sources said Pyongyang had showed willingness to maintain the continuity of nuclear safeguards by allowing the IAEA to conduct additional inspections of a key radiochemical laboratory and change film in surveillance equipment.

But North Korea refused to accept the IAEA request on collecting samples from spent fuel rods for later checks. Therefore, the two sides could be seeking a compromise on this point, the sources said.

At Monday's contact in New York, the U.S. side was understood to have stressed that the Pyongyang-Washington talks could be broken off if IAEA inspectors were not present at the changing of nuclear fuel rods at the 5-megawatt reactor in Yongbyon.

The United States asked North Korea to delay changing the fuel rods until IAEA inspectors arrive, sources said.

The Americans also pressed the IAEA to reopen negotiations with North Korea so that it can send an inspection team as soon as possible, they said.

Monday's contact involved Kenneth Quinones, the State Department's North Korea desk officer, and Han Song-yol, a counsel at the North Korean Mission to the United Nations.

U.S., DPRK Discuss Inspections, DPRK Letter

SK0905231794 Seoul KBS-1 Radio Network in Korean 2208 GMT 9 May 94

[Text] The United States and North Korea held a working-level contact in New York early this morning, Korean time, and discussed additional inspections [chuga sachal], including the inspection related to the replacement of fuel rods.

Gary Samore, chief of the Nuclear Nonproliferation Department of the State Department, and Kenneth Quinones, the official in charge of North Korean affairs, represented the U.S. side, and Han Song-yol, counselor at the North Korean UN Mission, and (Hyon Hak-pong), secretary at the mission, represented the North Korean side at the contact.

Today's contact took place for the United States to deliver its reply to the 5 May letter from Kang Sok-chu,

first vice foreign minister of North Korea. The United States reportedly notified North Korea that no further dialogue would be possible if an International Atomic Energy Agency [IAEA] inspection team were not allowed to carry out appropriate inspection activities [chok-chorhan sachal hwaltong]. However, the United States reportedly asked North Korea to quickly reach an agreement with the IAEA over technological problems concerning additional inspections, hold the third round of U.S.-North Korea talks, and resolve the nuclear issue quickly without breaking the UN Security Council's tentative deadline of mid-May, thus, strongly hinting that it intends to resume working-level talks.

SRV Said To Oppose DPRK Nuclear Development

*SK1005034894 Seoul YONHAP in English 0255
GMT 10 May 94*

[Text] Seoul, May 10 (YONHAP)—The Vietnamese Government has informed South Korean lawmakers of its official position that it opposes North Korea's nuclear development program, the chairman of the National Assembly Foreign Affairs and National Unification Committee said Tuesday.

Chairman Chong Chae-mun and five other committee members visited Vietnam from May 2-7. Chong, speaking to reporters about his tour of the Southeast Asian country, said, "the Vietnamese leaders made clear that nuclear weapons should not exist on the Korean peninsula and even though Vietnam has a communist system like North Korea, it does not support North Korea's lines."

On the unification issue, Chong quoted Vietnam's leaders as saying that South and North Korea will eventually accomplish reunification through peaceful dialogue.

During their trip the Korean lawmakers met with senior Vietnamese leaders, including former Chief Secretary of the Communist Party Nguyen Van Linh, House Speaker Nong Duc Manh and First Deputy Prime Minister Pham Van Khai, and discussed expanding economic cooperation, supporting children fathered by Koreans, locating Korean soldiers lost during the Vietnam war and returning the remains of Korean soldiers.

Also visiting Hanoi were Reps. Pak Chong-su and Kim Tong-kun of the ruling Democratic Liberal Party, Pak Sil and Chin Nam-kung of the opposition Democratic Party and independent Yi Chong-chan.

Jan-Apr Inter-Korean Trade Rises 'Rapidly'

*SK1005055294 Seoul YONHAP in English 0533
GMT 10 May 94*

[Text] Seoul, May 10 (YONHAP)—Despite the tension on the Korean peninsula created by Pyongyang's suspected nuclear weapons program, the volume of inter-Korean processing-on-commission trade is rapidly growing, authorities said Tuesday.

The government authorized businesses to purchase about 7,223,000 U.S. dollars worth of end products made through processing-on-commission from North Korea in the first four months of this year, about nine times that of a year earlier or 1.6 times that recorded in the whole of last year.

A government official expected that purchases of processing-on-commission goods from North Korea would reach at least 20 million dollars by the end of this year.

The approval amount for purchasing such goods was the monthly maximum of 3.1 million dollars in April, rising from 1.81 million dollars in January, 970,000 dollars in February and 1,345,000 dollars in March.

South Korean businesses' sales of raw and subsidiary materials for processing-on-commission to the North also rose.

Government approval for selling such materials totaled 4,806,000 dollars in January-April this year, up about 700 percent from the same period last year.

Seoul's approval for total inter-Korean trade including other kinds of goods increased 11 percent to reach 64,670,000 dollars in the four months from a year ago.

Inter-Korean processing-on-commission trade includes mainly trousers, coats and duck-down jackets, but not high value-added clothing including suits.

A government official said, "With inter-Korean processing-on-commission trade in a stable stage and visits to the North having become impossible, South Korean businessmen are focusing mainly on processing-on-commission trade."

Government permission for purchases of processing-on-commission goods amounted to 23,000 dollars in 1991, 556,000 dollars in 1992 and 4,385,000 dollars last year.

More Economic Cooperation With DPRK Opposed

*SK1005083694 Seoul MAEIL KYONGJE SINMUN
in Korean 10 May 94 p 3*

[Editorial: "It Is Not Time To Hasten North-South Economic Cooperation:"]

[Text] Some people in business and academic circles recently called for separating North-South economic cooperation from the nuclear problem for the sake of promoting North-South relations.

The assertion of the business quarter appears, at first sight, to have propriety in logic. First, in the event that the labor-intensive light industry of South Korea, whose competitive power is falling behind with each passing day, is moved to the North or subcontracts with the North Korean side, production costs would be drastically reduced. In other words, as North Korea has cheap,

good-quality, well-trained labor power in abundance, it would offer an excellent opportunity to revitalize our light industry. In addition, since the price of land in North Korea is not burdensome, one's investment of capital in North Korea would undoubtedly be successful.

Besides, some businessmen in the South believe that when they expand their enterprises by properly managing their business in North Korea, their influence and pressure would certainly help the North Korean regime turn to the moderate line from the hardline.

The theory put forward by the academic circle pertaining to the separation of economic cooperation from the nuclear issue appears to be emphasizing only the idealistic point of view. In other words, since North Korea is suffering a serious food shortage, we should seek improved relations with the North by starting an agricultural exchange first, thus separating it from complex political and security issues. This theory stresses that we should also enable the Korea Agricultural Corporation and other various farmers' organizations to come forward for agricultural cooperation with the North.

Another pretext put forward by the academic circle for promoting economic cooperation is the urgency in the long- and short-range economic development plans of North Korea. According to a recent report, research organizations and advisory organs in the United States and Japan, not our country, received requests from the North Korean Government for working out long- and short-range plans for national land development and economic development in North Korea.

If this report is true, unique, independent plans, which are not linked with the South Korean economic structure and land utilization situation, would be adopted. As a result, even after our nation is reunified, economic division would persist, thus hindering the nation from becoming one country in actuality. This would cause the people's concern. Therefore, the assertion stresses, economic exchange with North Korea should be realized even before the nuclear problem is resolved.

All these allegations sound reasonable at first glance. However, if we evaluate them in a cool-headed manner, we will come to realize that these are indeed dangerous and immature. There is no change, first of all, in the Kim Il-song dictatorship whatsoever, and North Korea is overflowing with the so-called *chuche* idea, stressing that "Korea is one and it is under the benevolence of Kim Il-song and Kim Chong-il." Even if our business firms and organizations propose economic cooperation, it would not be accepted so easily as we expect. This would be possible only through the benevolence of Kim Il-song and his son. Thus, our proposal would be reduced to merely a "begging."

The North Korean regime is attempting to use the humanitarian standpoint heightened in our side as a weak point. The North Korean regime, in an emergency, would apply various restrictions to our business firms

that advanced to North Korea, and would threaten with such disadvantageous restrictions in a bid to use them as a negotiation card.

What is important is, above all, for our government, while maintaining a cooperative system with world nations, to urge the North Korean regime to make a change in its policies. However, North Korea will not make such change voluntarily. The change would be possible only when North Korea hangs out a white flag toward the whole world or when internal confusion occurs within its system.

Therefore, the act of hastening economic cooperation with North Korea will only reduce the probability of its change, and will not be helpful in achieving reunification.

Government To Halt Economic Dialogue With U.S.

SK1005085394 Seoul KYONGHYANG SINMUN in Korean 9 May 94 p 2

[By Yi Sung-chol]

[Text] It is reported that the Dialogue for Economic Cooperation [DEC] between the ROK and the United States, which was established as a result of the ROK-U.S. summit talks of last year, will discontinue one year after its formation.

DEC, the highest-level trade consultative body to fine-tune two countries' views, is now destined to discontinue under the circumstances in which innumerable trade issues pending between the two countries—such as the lowering of tariffs on foreign cars and the protection of intellectual property rights—are brought up. As a result, trade friction between the ROK and the United States will further deepen.

On 8 May, a person in authority at the government said: "DEC was established last year with a view to systematically dealing with pending economic and trade issues between the ROK and the United States, treating it as a matter of policy. But, because the United States has been making an item-by-item approach to pending trade issues, DEC is in fact becoming good for nothing. In this respect, the government is seriously considering whether to discontinue DEC."

He continued: "The United States, too, is now making clear that DEC is unnecessary unless major pending trade issues, including intellectual property rights and the lowering of tariffs on sausages and foreign cars, are resolved. Therefore, it is predicted that DEC will virtually discontinue at the end of this June."

Presently, in addition to DEC, there are other consultative bodies between the ROK and the United States such as the ROK-U.S. Economic Consultative Meeting and the ROK-U.S. Trade Working-Level Committee.

U.S. Restriction of Defense Industry Alleged
SK1005024194 Seoul SISA JOURNAL in Korean
12 May 94 p 19

[Article by Kim Pang-hui]

[Text] The ROK exported armored cars overseas in September 1993 for the first time. It sold 42 K200 armored cars, made by Daewoo Heavy Industries, to Malaysia at \$25 million. Modeled after the U.S. FMC company's armored personnel carrier, this armored car was developed in the early eighties, and served Malaysia's peacekeeping troops in Bosnia as a capital armored car.

The ROK began to export weapons full scale in 1974, but its weapon exports were constantly under U.S. Government supervision. In 1983, the ROK set its best record in exporting weapons to third countries by selling \$300 million worth of them that year, but since then, arms sales have continued to decline so that in the early nineties, the ROK finally stopped selling weapons. ROK sale of M16 rifles to Indonesia without prior U.S. knowledge put the ROK in a difficult situation with the United States in 1983. A bigger incident, however, took place six years later in 1989, when the ROK sold some defense industrial supplies to Jordan. Despite the ROK's explanation that it sold military uniforms, the United States held fast to its view that the export item was software-related to precision weapons. This incident resulted in a virtual suspension of weapon exports by the ROK, which had previously ranked third for ten years among in weapons exports by third world countries, including China.

The United States is checking ROK weapon exports based on legal grounds in the Weapons Export Control Law and the regulations on the international transportation of weapons. These laws stipulate that the ROK should not sell weapons to a third country without the United States' prior approval. Although these laws have exceptions, getting prior approval from the United States through diplomatic negotiations is very complicated and not easy. While ROK national defense industrial companies were able to export weapons with U.S. approval during the period from 1981 to 1984, they have virtually been suspended since 1985.

After fundamentally blocking the ROK from selling U.S. weapons produced in the ROK to third countries, the United States began to curb the ROK's export of weapons produced with imported foreign technology or produced in cooperation with foreign countries. The United States stipulated in contracts with the ROK that the ROK not sell any weapon produced in the country to other countries, and this has repressed ROK defense industrial exports of not only such basic weapons as M16 and various trench mortars, but also the ROK-type K1 tanks and 155-mm self-propelled guns, which have comparatively high competitive strength.

To make matters worse, the United States demanded high royalty fees for military technology that the ROK defense industrial companies introduced unilaterally. At the 21st annual ROK-U.S. security consultative meeting held in 1989 after tiresome negotiations which began in 1984, the two governments agreed to the ROK paying eight percent of the sale price as royalty to the United States.

Although the ROK Government has asked the United States to ease those regulations through various channels, this demand has not been met because some U.S. munitions businesses regard ROK defense industrial companies as their rivals and because the ROK Government imposes dampers. An official with a domestic defense industrial company said: "We stopped bringing up this bothersome demand in 1990 when ROK weapon exports were virtually suspended."

The only way out of this situation is to independently develop ROK weapons for exports. We were able to export the ROK armored cars in 1993 because the localization rate of the item was almost 95 percent. However, Mun Chong-in, a political science professor at the U.S. University of Kentucky, who is well versed in the ROK-U.S. defense industrial cooperation, said: "It is highly possible for the United States to raise the issue of intellectual property rights in this case, too." That is, the United States is likely to demand the protection of intellectual property rights for U.S. parts and technology used in manufacturing ROK-type armored cars. The imposition of restrictions on the ROK's weapons exports to third countries seems to be the most difficult issue in cooperation between the ROK and the United States in the defense industry field.

Hata Telephones Kim Yong-sam on Nagano Issue
SK1005114794 Seoul YONHAP in English 1104
GMT 10 May 94

[Text] Seoul, May 10 (YONHAP)—President Kim Yong-sam had a telephone conversation with Japanese Prime Minister Tsutomu Hata Tuesday afternoon to exchange opinions mostly on the recent controversial remarks by former Japanese Justice Minister Shigeto Nagano.

In the telephone talks initiated by Premier Hata, President Kim said that Nagano's remarks on Japan's role during World War II have shocked and hurt the Korean people.

"There should be no recurrence of a similar incident. The Japanese cabinet member distorted the history of the past to inflict an injury on the Korean people," the president said.

The telephone conversation lasted about 20 minutes beginning 5:15 PM.

Prime Minister Hata offered a regret over Nagano's remarks. "It is highly regrettable that former Justice

Minister Nagano's remarks hurt the peoples of Korea and other Asian countries," Hata was quoted as saying.

Hata especially noted that at a Diet session earlier in the day, he regretted Nagano's remarks by saying that his statement had brought both sorrows and anger to many people in other Asian countries, Chongwadae spokesman Chu Ton-sik said.

According to Chu, President Kim stressed that what is important in the contemporary age is for South Korea and Japan to cooperate with each other closely toward a new history and march jointly onward toward common interests and peace in Asia.

The Japanese premier said Japan will continue to strive to build constructive relations between Japan and other Asian countries including South Korea based on a correct insight into the past.

Ministry Orders 'Partial Withdrawal' From Yemen

SK1005012094 Seoul THE KOREA TIMES in English 10 May 94 p 2

[Text] The Foreign Ministry ordered the partial withdrawal of Embassy staff family members and Korean residents from Yemen on Monday.

Yi Yang, director-general for Middle East and African affairs said 25 out of 39 Koreans, including family members of the mission staff and residents, will leave Sanaa on Monday while Ambassador Cho Kyu-tae and 14 others will stay behind.

If the armed conflict gripping the country intensifies, the ministry plans to pull out all embassy staff, he said.

"The withdrawal right now is for those who wished to leave. It's in case the situation there suddenly worsens," Yi said.

Draft Accords With Other Nations Approved

SK0905130394 Seoul YONHAP in English 1142 GMT 9 May 94

[Text] Seoul, May 9 (YONHAP)—The cabinet on Monday approved a number of draft agreements to be signed with foreign countries.

They included a draft double taxation prevention agreement set to be concluded with Vietnam within the month at the earliest.

Others were a draft agreement on the establishment of a Korea-China Industrial Cooperation Council; a draft memorandum on Korea-China Civil Aeronautical Cooperation and Development; a draft Korea-Argentina investment guarantee agreement; and a draft memorandum on Korea-Philippine Defense Industry Cooperation.

Meanwhile, South Korea and the Uzbekistan Republic initialed a bilateral aviation agreement in Seoul Monday. The agreement is expected to be signed during President Kim Yong-sam's visit to the Republic early next month.

Europeans Press for Wider Access to Auto Market

SK0905063594 Seoul YONHAP in English 0612 GMT 9 May 94

[Text] Seoul, May 9 (YONHAP)—The Europeans are playing hardball with Korean automakers by threatening to strip them of their Generalized System of Preferences (GSP) status for car imports.

The European Union (EU) is reacting sensitively to Korea's fast advancement into its market, a Foreign Ministry official said Monday.

The ACEA (Association of European Automobile Manufacturers) recently submitted a recommendation to the European commission urging it to lift GSP privileges for Korean car imports.

The ACEA, joined by such major European automakers as Fiat of Italy, Renault of France and Rover of Britain, also asked for an anti-dumping investigation of Korean car exporters in the recommendation.

Korea exported 90,000 cars to Europe last year while importing 500 units. The European Union has repeatedly called on Seoul to rectify the trade imbalance.

Party Member Visits Germany To Attend Seminar

SK0905031294 Seoul YONHAP in English 0254 GMT 9 May 94

[Text] Seoul, May 9 (YONHAP)—Rep. Kim Tok-yong of the ruling Democratic Liberal Party (DLP) left for Germany last weekend to attend a seminar on German unification at the invitation of the Adenauer Institute and Freie (Freedom) University of Berlin together with Rep. Kim Ki-to.

Kim, a close aide of President Kim Yong-sam, also visited London at the invitation of the British Foreign Ministry in March. He will be returning home around May 23 after meeting with German politicians.

Although he has held no key party posts since leaving his state ministerial office last December, Kim is said to have played an active role in recent state and social Affairs.

Livestock Group To Develop Pastures in China

*SK1005125994 Seoul YONHAP in English 1200
GMT 10 May 94*

[Text] Seoul, May 10 (YONHAP)—The Livestock Cooperatives Federation has decided to develop pasture lands in China as part of its plan to explore livestock resources abroad.

As an initial step, the federation sent on Tuesday a fact-finding team to the three Northeastern Chinese Provinces—Heilongjiang, Liaoning and Jilin—to determine the feasibility of creating pasture lands there.

The team will also sound out the possibility of bringing in the 1.5 million tons of corn South Korea introduces from China annually for use as livestock feeds, directly from China instead of through third countries like Hong Kong as now.

Overseas development of pasture lands is needed as there is no room to expand pasturage in the country and hay fodder prices are higher in Korea than those of grain feeds, a federation official said.

Steps Introduced To Help Small, Medium Industry

*SK1005073394 Seoul THE KOREA TIMES in
English 10 May 94 p 8*

[Text] Those exporting products less than \$20,000 will not need government permits from the second half of this year. At present, approval is granted to those who receive irrevocable licenses of credit (L/Cs) less than the same amount from foreign buyers.

The new step will reduce the financial burden on small and medium business by encouraging small-value shipments.

This step was featured in a wide range of measures which the Ministry of Trade, Energy and Trade announced yesterday to ease regulations on trade, factory sites and distribution within the year.

To expedite trade, the minimum amount for exports or imports which is free of government control after approval is given will be increased from the current \$5,000 to \$10,000 from the second half of the year as well.

The permit system in the issuance of trade licenses without any restriction will be changed into a report system, thereby freeing small traders from paying commissions.

In the meantime, those who export industrial facilities will be allowed to secure necessary equipment in the countries concerned.

The collection of levies on exporters of industrial plants will be abolished in order to enhance their international competitiveness.

Some research equipment whose imports from Japan are banned under the pretext of diversifying import sources will be lifted to expedite corporate investment in the development of high tech and high value-added products.

Imports of raw materials for export will be allowed to purchase the amount which they apply to the government for.

With regards to easing restrictions on the distribution industry, the minimum size of a retail or wholesale outlet subject to city or provincial approval will be increased from the current 1,000 square meters to 3,000 square meters.

A negative system will be introduced only to designate business sectors whose operation in retail and wholesales shops are prohibited.

Currently, the size in retail and wholesale outlets which are permitted for the service sector such as food and financing is limited to 50 percent of their total floor space.

To remove obstacles to the opening of new wholesale centers, the ratio of wholesale against their turnover will be decreased from the 100 percent to 70 percent.

Those, who enter the wholesale business using rented buildings, will be free from the obligation that they should use more than 10 percent of their floor space.

The minimum floor space of department stores subject to government approval for their opening will be raised from the 1,000 square meters at present to 3,000 square meters.

Their owners will be allowed to run 70 percent of the whole size compared with the current 100 percent.

Burma**Officials Address Karenni Surrender Ceremony**

*BK1005083994 Rangoon Radio Burma in Burmese
1330 GMT 9 May 94*

[Excerpts] A ceremony was held at the Marble Square in Gandar Hewun Park in Loikaw, Kayah State at 0800 to mark the return to the legal fold of the Karenni National People's Liberation Front [KNPLF] and its surrender of its policy of armed struggle, and its cooperation with the government in regional development. The ceremony was attended by Lieutenant General Khin Nyunt, chairman of the Work Committee for Implementation of Border Region and National Races Development [WCI-BRNRD] and secretary-1 of the State Law and Order Restoration Council [SLORC]; Lt. Gen. Kyaw Ba, minister of hotels and tourism; Lt. Gen. Thein Win, minister of transport; Brigadier General Myo Thant, minister of information; U Khin Maung Thein, minister of energy; U Khin Maung Yin, minister of construction; Major General Saw Tun, chairman of the Shan State Law and Order Restoration Council and commander of the Eastern Military Command; Colonel Maung Kyi, chairman of the Kayah State Law and Order Restoration Council and commander of the Regional Command Headquarters, Loikaw; Col. Kyi Maung, deputy education minister; Col. Than Zin, deputy minister of health; Col. Tin Hlaing, deputy home minister; U Kyaw Tin, deputy agriculture minister; Lt. Col. Pe Nyein, director general of the Office of the SLORC; senior departmental officials; members of law and order restoration councils from the Kayah State, districts, townships; departmental personnel; priests from various Christian sects; U Tun Kyaw, leader of the KPLF, and members; and local people. [passage omitted on ceremonial proceedings]

Speaking at the ceremony, Col. Maung Kyi, chairman of the Kayah State Law and Order Restoration Council and commander of the Regional Command Headquarters in Loikaw, said today is a very auspicious day for the Kayah State as well as the Union of Myanmar [Burma] because it marks the return to the legal fold of the Kayah State which had decided to give up the policy of armed struggle in order to join hands with the government in development. He recalled that during his trip to Loikaw and Bawlake, SLORC Secretary-1 Lt. Gen. Khin Nyunt had invited the armed organizations in the jungle to give up the policy of armed struggle and return to the legal fold to work with the government in regional development.

He said after realizing the genuine goodwill of the government, the KNPLF has now returned to the legal fold after holding many rounds of talks based on mutual friendship, respect, and trust. He said there is now a ray of hope for peace emerging in the Kayah State. He said national reconciliation is an indispensable task for building a peaceful, modern, and developed Union of Myanmar. [passage omitted]

Continuing, he said although the current situation in the country is heading toward stability and progress, it should be noted that the country could come under threat any time due to internal traitors and foreign neocolonialists. He said people in the Kayah State must be happy to see the KNPLF returning to the legal fold with the intention of cooperating with the Defense Services in unity for the progress of the country. He said the entire nation and people should take pride in and welcome the event. He said the people are hoping that the entire Union would become peaceful and developed if the remaining armed organizations in the jungle make similar efforts like the KNPLF with mutual understanding. He said all of us should take note of the people's aspirations. [passage omitted]

In conclusion, he urged the KNPLF to work hand in hand with the local people under the leadership of the government in implementing regional development projects.

Next, U Tun Kyaw, leader of the KNPLF, handed over the list of members, weapons, and ammunition to Col. Maung Kyi, chairman of the Kayah State Law and Order Restoration Council and commander of the Regional Command.

Speaking at the ceremony, KNPLF leader U Tun Kyaw said that the KPLF gives great importance to the unity and development of the national people residing in the Kayah State, and stated its desire to remain in the Union through weal and woe and live in unity, with mutual respect and assistance among national races. He said his organization welcomed the SLORC gesture of warmly receiving the armed organizations returning to the legal fold.

He noted that our country is a beautiful country which is very rich in natural resources. Developments that should have taken place, however, did not happen because of the civil war which had been waged for over 40 years. He said the time would soon come to develop our country into a just and a genuinely democratic country with a new outlook and thought. He said the time has now come to establish a Union with a full family spirit. He said the KNPLF, in accordance with the wishes of the people, had responded to the government's invitation by returning to the legal fold and giving up its policy of armed struggle. The KNPLF shall work hand in hand with the Defense Services in safeguarding national sovereignty and independence. He said the KNPLF shall give priority to the interests of the people and development and progress of the Kayah State. He called on the remaining armed organizations to urgently contribute to the government peace policy, which had been openly declared to the world, and to work jointly for development and progress of the nation.

Brunei, Malaysia & Singapore

Malaysia

Mahathir-Clinton Talks on Bosnia, Asia Reported

*BK0705101394 Kuala Lumpur BERNAMA in
English 0643 GMT 7 May 94*

[From Azman Ujang]

[Text] Washington, May 7 (OANA-BERNAMA)—President Bill Clinton spoke Saturday of a dilemma facing the United States over Bosnia, including the collapse of the United Nations mission in the war-torn country if the U.S. unilaterally opted for tougher action to resolve the conflict there.

Declaring that he had, since taking office, been in favour of lifting the arms embargo imposed by the UN, he said the danger in this was that it could lead to the collapse of the UN mission in Bosnia as other countries in the mission would pull out from Bosnia.

Clinton, at a meeting with Malaysian Prime Minister Dr. Mahathir Mohamed at the White House here Friday, also sought advice on resolving the Bosnian and other issues.

Malaysia's permanent representative to the UN, Razali Ismail, who also attended the meeting, cited Clinton as saying the U.S. could still supply the Bosnians with types of arms not bound by the embargo but this was bound to be resisted by other member countries of the North Atlantic Treaty Organisation (NATO) as well as Russia.

But Clinton assured Dr. Mahathir that the United States would continue to press for the lifting of the arms embargo at the UN, Razali told Malaysian journalists after the meeting.

On this, Dr. Mahathir advised Clinton to persuade NATO members like France and Britain to agree to the lifting of the arms embargo which had placed the Bosnians in a defenceless position against Serb aggression.

Dr. Mahathir said he could not accept the present UN helplessness over the Bosnian conflict and suggested that countries which wanted to pull out from the UN mission could do so to enable troops of other countries willing to help Bosnia to take their place.

The bottom line is that if the UN cannot guarantee the survival of Bosnia, then it should be allowed to defend itself as provided for under Article 51 of the UN Charter, he said.

Clinton also sought Dr. Mahathir's advice on how the U.S. could establish a credible partnership with countries of Asia while assuring the prime minister that it was not his policy to try to dominate.

The U.S. is looking for a partnership without dominance and asked how this could be effectualised, Razali said.

One advice Dr. Mahathir gave was that countries like Malaysia could accept criticisms and what was perceived as right or wrong as much as Malaysia had never hesitated to say what was right or wrong [as received].

Razali said Dr. Mahathir, however, drew a line between criticisms and arm-twisting. If countries went beyond criticisms in order to force others to bow to their demand, then they were arm-twisting and this was unacceptable.

He cautioned the U.S. president about such tendencies in Asian countries which are culturally very developed societies and which are resilient and their natural forces should be allowed to evolve towards their desired objectives, he added.

Summing up the meeting, Razali said: It was not one of those superficial meetings and it was noticeable that President Clinton took a lot of trouble to explain to Dr. Mahathir the various aspects of his policies and, significantly, listened a lot to what the prime minister had to say and sought his advice on many issues.

This would create better understanding on how each country looked at issues between themselves and the U.S. president showed overwhelming sincerity in wanting to improve U.S. relations with Malaysia, he said.

Razali said Clinton and Dr. Mahathir also spoke about reforms within the UN in the context of peacekeeping missions. It was agreed that both the U.S. and Malaysia would initiate these reforms, he added.

Foreign Minister Chides Russian Official on Bosnia

*BK0605115794 Kuala Lumpur BERNAMA in
English 0906 GMT 6 May 94*

[Text] Kuala Lumpur, May 6 (BERNAMA)—Malaysia Friday urged Russia to adopt a firmer stand to discourage the continued Serb aggression on safe havens in Bosnia-Herzegovina.

Foreign Minister Abdullah Ahmad Badawi made the call to the Russian Deputy Foreign Minister Aleksandr Panov who called on him at his office here.

He said Russia's attitude, which appeared to be siding with the Serbs, gave them the confidence to press their onslaught on the safe havens.

The Serbs know that they will escape any action from the United Nations because they are backed by big powers like Russia, he told reporters after the 90-minute meeting. Panov arrived here last Wednesday on a two-day official visit to prepare for the official visit by Russia's First Deputy Prime Minister Oleg Soskovets to Malaysia in July as well as to discuss international issues.

His six-man delegation, which included a representative of the State Committee on Defence Industries Anatoly G. Brathucin [name as received], would also discuss the MiG-29 jet fighter deal with Defence Minister Datuk Sri Najib Tun Razak.

Malaysia is buying 18 of the air superiority aircraft for the Royal Malaysian Air Force.

Abdullah said Malaysia and tiny countries, like members of the Organization of Islamic Conference (OIC), and Non-Aligned Movement (NAM), deeply wished that Russia would adopt a fair attitude in handling the Bosnia issue. The presence of Russian peacekeeping troops in Bosnia adds favouritism for the Serbs [words indistinct] and helped the Serbs to (?continue their bloody activities against the Bosnians), he added. He said Malaysia supported Russian President Boris Yeltsin's proposal that an international conference on Bosnia-Herzegovina be held as soon as possible to seek a settlement to the conflict in the former Yugoslav republic. The conference would [word indistinct] the difficulties faced by the UN which was hampered by the presence of countries which used their veto to obstruct its decision-making on the issue in Bosnia- Herzegovina, he said.

Abdullah said he also voiced Malaysia's view that the UN Security Council to adopt the preventive defence and diplomacy approach in dealing with the Bosnian situation instead of one where action was taken only after the commission of aggression which resulted in great loss of lives and property.

Panov reacted positively to Malaysia's call and promised to convey it to Yeltsin and Russian Foreign Minister Andrey Kozyrev, according to Abdullah.

MiG-29 Purchase Unaffected by Russian Stand on Bosnia

BK0805135394 Kuala Lumpur Radio Malaysia Network in Malay 1300 GMT 8 May 94

[Text] The government has no intention of canceling its purchase of Russian-made MiG-29 fighters even though Russia has yet to adopt a clear stand on the Bosnia-Herzegovina issue. Defense Minister Datuk Sri Najib Tun Razak said this to reporters after the inauguration of the building housing UMNO's [United Malays National Organization] Pramu Branch in Pekan, Pahang. He said Malaysia should maintain its credibility, or else other countries will certainly wonder whether future decisions will be based on good practices or on some political stand. He added that the decision to buy the aircraft stands even though Malaysia is not pleased with Russia's position on the Bosnia-Herzegovina issue. This is because Malaysia needs to modernize its air force and strengthen its ability to defend the nation's airspace.

Daily Urges Kelantan People To Renounce PAS

BK0305125394 Kuala Lumpur UTUSAN MALAYSIA in Malay 29 Mar 94 p 8

[Editorial: "Kelantan People Should Initiate Changes"]

[Text] Sabah, a backward state with a high rate of unemployment under the Sabah United Party, is now given a shot in the arm by the National Front [NF] administration. Another state that needs a similar treatment is Kelantan, which is now under the PAS [Pan Malaysian Islamic Party] administration. Press reports about Kelantan in 1993 showed a picture of sadness with its people's standard of living declining steadily compared to people living in other states.

The PAS often claims that it is fighting for the glory of Islam, but the party has forgotten the fact that Islam wants its followers to make progress instead of being stagnant or impoverished. This state of backwardness was revealed when Mohamed Rozali Isahak, deputy chief minister of Kelantan, recently had to admit that the investment climate in the state is not very promising. Along with a low investment level, the poverty rate in both the rural and urban areas of the state is quite high.

In 1993, the poverty rate in Kelantan was 29 percent, while the overall nationwide poverty rate was 17.1 percent. Besides, without investment projects, it is hard for any state to create new jobs. It is worth noting that the unemployment rate in Kelantan stands at 7.3 percent compared to the nationwide unemployment rate of 5.4 percent. Within the period of two years, a total of 23,218 unemployed had registered themselves with the Kelantan People's Manpower Office, namely 13,869 in 1991 and 9,349 in 1992. During the same period, a total of 6,258 youths migrated to NF-controlled states to seek jobs. This was disclosed by Kalthom Omar, director of Kelantan State Manpower Office. In fact, the fruits of development enjoyed by people throughout the country are not accessible to the majority of Kelantan people, except those who have migrated to other states.

Now it is the time for Kelantan people to rise and forget the sweet dreams promised by PAS for many years but never delivered to them. The Kelantan people are entitled to enjoy the same prosperity and blessings given by almighty god to other states by changing their backwardness into prosperity and progress.

The majority of Kelantan people, especially the younger generation, certainly want the NF to rescue them from the shackles of backwardness, poverty, and unemployment. Rapid development programs initiated by the NF will certainly provide a fresh breeze of change for Kelantan. Muslims in that state will make progress and continue to receive god's blessings if they are not narrow-minded in their practice of Islam. Practicing Islam for personal or party interest is considered narrow-minded because it only brings backwardness to the people and state. An excerpt from the Al-Haj Chapter, Verse 78 says: "And strive in his cause as ye ought to strive (with

sincerity and under discipline). He has chosen you, and has imposed no difficulties on you."

Central Bank's Gold, Foreign Exchange Reserves Up

BK0805070794 Kuala Lumpur NEW STRAITS TIMES in English 6 May 94 p 16

[Text] Bank Negara's [Central Bank's] gold and foreign exchange and other reserves including SDI (special drawing rights) amounted to RM89,986.72 million as at Jan. 31, 1994. It was RM89,875.43 million a fortnight earlier and RM76,474.43 million at end December 1993

A Bank Negara statement said total assets and liabilities eased slightly to RM116,215.81 million from RM116,331.73 million a fortnight earlier but higher than the RM100,299.47 million as at Dec. 31, 1993.

Loans and advances were higher at RM2,552.34 million from RM2,479.17 million two weeks ago and RM2,637.07 million a month earlier.

The bank's holdings of bills discounted amounted to RM3,391.97 million. It was RM3,450.35 million two weeks earlier and RM3,523.94 million a month ago.

Currency in circulation amounted to RM16,626.48 million against RM14,835.48 million two weeks ago and RM14,649.04 million a month earlier.

Trade Deficit Widens by 32.6 Percent

BK0805070594 Kuala Lumpur NEW STRAITS TIMES in English 6 May 94 p 16

[Text] Malaysia's trade with Japan, which showed a surplus of about RM [Malaysian ringgit] 2 billion a year in the mid-eighties, has plunged to a deficit of RM16.5 billion last year after widening since 1988.

The latest external trade figures released by the Department of Statistics showed that the deficit grew by 32.6 percent last year alone.

Exports to Japan in 1993 were worth RM15.729 billion against RM13.921 billion in 1992, but imports totalled RM32.229 billion against RM26.366 billion in the previous year.

The trade gap widened as imports expanded at a faster rate of 22 percent compared with the 12.9 percent growth in exports.

Bilateral trade with Japan was in Malaysia's favour in 1987 when a trade surplus of RM1.906 billion was recorded.

The following year, the pattern of trade changed and Malaysia experienced a deficit of RM805.9 million and since then, the trade balance has continued to slide in Japan's favour.

In 1989, the trade deficit stood at RM3.817 billion, doubled to RM6.480 billion in 1990, and soared to RM11.449 billion the following year.

This have been attributed mainly to the increase in Malaysia's import of capital goods, intermediate goods and components, required largely for Japanese investment projects here.

Mineral fuels and lubricants and crude and inedible materials were the top two exports until 1993 when it was overtaken by machinery and transport equipment. Other major export were manufactured goods.

In 1988, exports of crude and inedible materials were valued at RM3.489 billion and machinery and transport equipment amounted to merely RM914.6 million.

Last year, machinery and transport equipment emerged as the biggest export component with exports worth RM4.613 billion or 29.1 percent of total exports, followed by mineral fuels and lubricant RM4.307 billion (27.3 percent), crude and inedible materials RM3.218 billion (20.4 percent), and manufactured goods RM1.387 billion (8.8 percent).

Exports of other sector such as food, beverages and tobacco, and animal and vegetable oils and fats have also grown since 1988, but they remained a minor segment of the total export volume.

The food export bill almost doubled to RM113 million last year from RM69 million in 1988.

As for imports from Japan, machinery and transport equipment has remained the top import item since 1988. Other major imports are manufactured goods and chemicals.

Machinery and transport equipment amounted to a staggering RM21.849 billion or 67.7 percent of total imports last year, and manufactured goods were a far second with only RM5.392 billion or 16.7 percent, and chemicals 2.026 billion.

Motor vehicle imports which fall into the machinery and transport equipment category amounted to RM2.696 billion.

Apart from Japan, Malaysia's major trading partners in 1993 were the United States, Singapore, Taiwan, Germany, United Kingdom, and South Korea.

Surpluses were recorded with the U.S. of RM4.777 billion, Singapore RM8.421 billion, UK RM1.435 billion, and South Korea RM579 million and with Taiwan RM2.405 billion deficit.

Cambodia

Khieu Samphan Accepts Roundtable Peace Talks

BK0905130994 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 1200 GMT 9 May 94

[Telegram from Khieu Samphan to King Norodom Sihanouk; dated 9 May—read by announcer]

[Text] On 9 May, His Excellency Khieu Samphan, head of the Party of Democratic Kampuchea [PDK], sent another telegram to His Majesty King Norodom Sihanouk, stressing the PDK's position on the roundtable meeting for peace and national reconciliation. Here is the content of the telegram:

Prompted by the spirit of genuine national reconciliation and unity to which the PDK has all along adhered, I would like to inform Your Majesty that the PDK is happy and ready to attend the roundtable meeting for peace and national reconciliation under the lofty chairmanship of Your Majesty in the (Kiang Si-un) Palace [near Pyongyang]. In case this palace is not convenient, the roundtable may be held at another neutral site.

I still believe that a roundtable is the first step for all Cambodian factions to meet and have discussions so that they can gradually agree upon and move toward an accommodation with the aim of achieving national reconciliation under the shade of the king and the throne.

Moreover, I have raised the issue of a neutral site with the sole aim of ensuring security and providing equal conditions for all parties attending the meeting.

All of this is to enable the roundtable meeting to be held successfully in line with Your Majesty's desire and the profound aspirations of our nation and every Cambodian in the countryside, in Phnom Penh, and abroad who desires to achieve the national reconciliation and unity of all forces under the leadership of the king, thus enabling Cambodia to enjoy peace, national unity, and territorial integrity.

Availing myself of this occasion, I would like to inform Your Majesty that I accept this new initiative for the participation of the PDK in the government and the Army, and the preparation of the election suggested by Your Majesty on 7 May 1994.

Sirivut 'Fired' From Secretary General Post

BK0705132194 Bangkok BANGKOK POST (INSIDE INDOCHINA Supplement) in English 3 May 94 p 2

[“Spotlight” report by Jean de Toulkork: “Shake-up stirs bitterness in FUNCINPEC”]

[Text] Phnom Penh—Morale is low in the FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] party of First

Prime Minister Prince Norodom Ranariddh following a high-level shake-up involving Foreign Minister Prince Norodom Sirivut.

According to a senior Cambodian Minister, who spoke on condition of anonymity, Ranariddh has fired Sirivut from the post of FUNCINPEC secretary-general and given him the less influential post of vice president to the party.

Loy Simchheang, the third vice president of the National Assembly, has been appointed to replace Sirivut as party secretary general.

Ranariddh, the minister said, has been unhappy with Sirivut's siding with Finance Minister Sam Rangsai who has taken a strong stand against the activities in Cambodia of the Thai Bun Rong company.

Sirivut, who is King Norodom Sihanouk's stepbrother, has been a keen supporter of Rangsai's economic policies and financial management of Cambodia's troubled economy. Both Rangsai and Sirivut have received the blessing of King Sihanouk in their endeavours and in recent weeks the two ministers have met often at Sirivut's office in the foreign ministry.

On April 16, while celebrations of the Cambodian New Year were in full swing, Ranariddh summoned Sirivut to his home and told him that he was no longer the secretary general of the party, a post to which he had been appointed only early in the year.

Ranariddh's move angered Sirivut who expected better treatment from the first prime minister. The following day, Sirivut was conspicuously absent from a ceremony at the Royal Palace during which ministers paid their respects to the king and queen on the occasion of Chhnam Thmei (traditional Cambodian New Year).

Sirivut, the minister said, was considering his position in the government as he had been shocked by Ranariddh's unilateral action, which was not submitted to the consideration of the higher ranks of the party.

Sirivut has been a loyal lieutenant of Ranariddh's, even siding with him against the notorious Prince Norodom Chakkrapong, Ranariddh's step-brother and fierce opponent. Now Sirivut feels that his loyalty and support for Ranariddh has not been reciprocated by the first prime minister.

In January this year, when Ranariddh was under strong pressure from the Cambodian People's Party to fire the finance minister, it was Sirivut's threat to resign as deputy prime minister and foreign minister which saved Rangsai.

Sirivut and Rangsai have strong views about relations with Thailand and about the need to clean up the business environment established by Thai merchants in Phnom Penh. In their view, they have received strong support from colleagues in FUNCINPEC and the population of Cambodia, especially from those small traders

affected by the long-running conflict with the Thai Bun Rong company over the Olympic market affair.

King Sihanouk, who strongly supports the foreign affairs and finance policies of the two ministers, has gone out of his way to make public his blessing.

In January, when Rangsi was in danger of being dismissed, the King wrote a letter congratulating him and his staff for their good work. In the same month, he elevated Sirivut to the rank of Sdech Kromkhun, making him among the most senior princes of the Royal Cambodian Family.

Significantly, under the same Kret (Royal Decree), the King elevated to the same rank two of his sons—Prince Norodom Sihakmoni, and Prince Norodom Chakkrapong. Both of these would side with Sirivut against Ranariddh in any confrontation among Royal Family members, observers say.

Royal Palace sources declined to reveal the King's reaction to the removal of Sirivut from the influential party post. But one source said the king was "deeply concerned" by some recent actions.

Denies Daily's Dismissal Report

*BK1005061294 Bangkok BANGKOK POST
(INSIDE INDOCHINA Supplement) in English 10
May 94 p 2*

[Letter from Norodom Sirivut, secretary-general of FUNCINPEC, National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia]

[Text] I was astonished to read in the "INSIDE INDOCHINA" section of the Bangkok Post of May 3, 1994 the article written by a Jean de Toulkork.

I would like to clarify as follows:

1. HRH Samdech Krompreah Norodom Ranariddh, first prime minister of Cambodia and president of FUNCINPEC, never intended to fire or to dismiss me from the secretary-general of FUNCINPEC position.

2. I am myself, Samdech Kromkhun Norodom Sirivut, currently in the position of secretary-general of FUNCINPEC. I perform and continue to perform this duty and fulfill my responsibilities with the great support of Samdech Krompreah Norodom Ranariddh, the president.

3. In this capacity, as a secretary-general of the party, I serve and will serve the president, the party and the members of FUNCINPEC very faithfully.

Norodom Sirivudh Secretary-General FUNCINPEC

Phnom Penh

NADK Rejects AFP Reports of Atrocities

*BK0805102794 (Clandestine) Voice of the Great
National Union Front of Cambodia in Cambodian
1200 GMT 7 May 94*

[Statement issued by the National Army of Democratic Kampuchea [NADK] spokesman on 5 May; place not given—read by announcer]

[Text] I. On 4 May, the French press agency AFP urgently circulated a misleading report saying that the National Army of Democratic Kampuchea [NADK] had raped scores of women and then killed them. The NADK spokesman categorically rejects the French press agency's disgusting and base propaganda, which arises from nasty and dark political motives.

II. The NADK's morality and virtue is far different—as different as sky and earth—from that of the communist Vietnamese lackeys and their alliance, with the United States, France, and Australia acting as proxies. The Cambodian nation and people are well aware that it is the communist Vietnamese puppets and the U.S., French, and Australian lackey puppets who are the bandits and criminals and who have shot and beheaded people without mercy. They have also raped and executed women, elderly people, children, pregnant women, and women who are giving birth to their babies in accordance with the fascist and barbarous nature of their masters.

As for the NADK, they are the people's children; they have arduously struggled and shared weal and woe with the nation and people to defend their localities and prevent the enemies of the nation and people from acting at will. The NADK has never done the disgusting, base, and barbarous things that are being slanderously alleged in this propaganda.

Look, why do the Cambodian nation and people support Democratic Kampuchea? Why do the Cambodian nation and people oppose the communist Vietnamese and U.S. puppets and their masters?

III. It may be asked: What is behind the slanderous reports carried by the propaganda machines of France and the alliance? They have painstakingly acted in this way for the following reasons:

A. They are attempting to slander and discredit the NADK, which is vigorously supported and assisted by the Cambodian nation and people in both the northern and western parts of Cambodia—presently the scene of fighting against invading forces from the two-headed Phnom Penh government and abroad. In view of this situation, the communist Vietnamese and their alliance are extremely anxious. They have been anxiously running around. They have ordered their lackeys to kneel at the feet of the communist Vietnamese and ask them to send troops to keep the puppets from collapsing entirely. Along with this, they have intensified their political and

diplomatic maneuvers and stepped up these accusations, which are part of their propaganda and psychological warfare.

B. They have strived to commit this slander with the aim of further denigrating us and instigating conflicts within Cambodia's national community. This will enable them to intervene without difficulty and further stir up and inflame the war of aggression, thereby allowing them to come in and secure their respective vested interests.

This is what they call respect for human rights and the people's right to self-determination. They are the criminals and warmongers, (?joining) the communist Vietnamese to do away with the Cambodian nation and race. Yet they have hurled accusations against the NADK, which has arduously struggled to protect the people and nation and prevent the criminals from acting at will.

This is clear evidence that the alliance—with the United States, France, and Australia as proxies—does not want Cambodia to achieve national reconciliation, national compromise, and peace. They have actively launched their propaganda and sought all available military, political, diplomatic, propaganda, and psychological means to inflame the war further and destroy Democratic Kampuchea at all costs.

IV. Nevertheless, concrete experiences since August 1993 have clearly demonstrated and brought into broad daylight that even though the communist Vietnamese puppets and the American and French puppets have been combined; even though millions of dollars have been spent to buy guns, tanks, and so on from the communist Vietnamese and Russia; and even though they have strived to provide assistance in the technical field and in psychological warfare, they can never prevail over the nation, people, and NADK. We have joined forces to carry out the struggle to crush the invasion by the communist Vietnamese and their puppets and the alliance and its lackey puppets, causing them to scatter and suffer a shameful defeat.

They are currently being forced by the nation and people as well as the king to terminate their war and accept his majesty's five-point policy to achieve genuine national reconciliation and unity, thereby allowing Cambodia to restore peace and survive.

[Signed] The NADK spokesman
[Dated] 5 May 1994

Government Position Vis-a-Vis KR Analyzed

BK0605154994 Phnom Penh National Radio of Cambodia Network in Cambodian 1300 GMT 6 May 94

[Station commentary: "A Very Difficult Road To Choose"]

[Text] During the past few weeks, the military situation in the western and northwestern parts of the country

seemed to be murky, thus causing some persons who lack the common sense to accuse the Royal Government of provoking war and prolonging the Cambodian bloodshed.

However, it is known to all that before the Khmer Royal Armed Forces [KRAF] launched the counterattacks on Anlung Veng, An Seh, and Pailin, the Khmer Rouge [KR] had continued to harass and attack the KRAF positions everywhere, especially in Battambang, Banteay Meanchey, Siem Reap, Kompong Thom, Kampot, Kompong Speu, and Kompong Chhnang Provinces. Not only have these arrogant activities of the Khmer Rouge [KR] caused losses to the KRAF, but they have also wreaked untold destruction on the lives, property, and food of our people in those areas. Thousands of families have become refugees. They have been compelled to leave their villages and homes to take refuge in a safe area.

Moreover, not only has the Khmer Rouge used its bases at Anlung Veng, Pailin, and so forth (?for waging war), but it has destroyed national property by allowing the foreigners to carry out fishing and gem mining activities that have ruined the environment, thus seriously affecting the future of the entire Cambodian motherland.

Concerning the stubborn Khmer Rouge continuing its illegal control of a small part of the territory and its military activities that affect the lives and property of the population, the KRAF and Royal Government have the task and duty to provide the people with security and ensure public order in the face of the Khmer Rouge's suppression, massacre, and looting.

Moreover, in line with Article 3 in Chapter 1 of the Constitution of the Kingdom of Cambodia, which states clearly that the Kingdom of Cambodia is an indivisible state, the Royal Government has been compelled to take measures to resist the Khmer Rouge's offensives and to eliminate their military and economic bases.

Everyone still remembers well that before making this final decision, Prince Krompreah Norodom Ranariddh, first prime minister, braving all obstacles, made one attempt after another to hold a discussion with Khieu Samphan to jointly seek ways to end the bloodshed. In addition, the Prince Krompreah's colleagues, such as His Excellency [H.E.] Tea Chamrat, H.E. Toan Chay, H.E. Veng Sereivut, and Eng Roland, also tried to hold secret meetings and negotiations with the Khmer Rouge, such as Ho Bunheng, Mak Ben, and [name indistinct], to find an appropriate formula for reducing tension and seek a way out.

But all these efforts have produced nothing good at all. The Khmer Rouge still refuses to accept the cease-fire. It has continued to raise the same old issue of Vietnamese being the obstacle.

During the recent new year's day, Samdech Krompreah Norodom Ranariddh and Samdech Hun Sen proposed a

cease-fire on several occasions, but the Khmer Rouge stubbornly rejected it as a trick of the Vietnamese and their allies.

In the face of this situation, what kind of a position should the Royal Government take? Should it continue the defense of the security, public order, and the people's property, food, and land while the Pol Pot clique stubbornly refuses to cease fire, resulting in the government being accused by some senseless persons and some newspapers as being the warmonger? Or should the Royal Government stop its military activities, stop defending the territory, security, and the people, and just let the Khmer Rouge do anything at will, thus pleasing some persons and some newspapers?

These are the difficult paths for the government to choose. However, the Royal Government, which was born from the people's will expressed through the election, can do nothing without the support of our people throughout the country. The Royal Government cannot do anything that is against the people's will.

Concerning this matter, our people, who are the owners of the country, should make thorough considerations before making any decisions. You should not allow yourselves to be misled at the instigation of those persons who lack common sense to an extent that might cause grave danger to the survival of our motherland.

As voters, we should be confident in the leadership of the Royal Government, headed by the Prince Krompreah and Samdech Hun Sen, which always unconditionally follows our adored king.

Columnist Dismisses Idea of Talks With KR

*BK0705093694 Phnom Penh KAOH
SANTEPHEAP in Cambodian 4-5 May 94 pp 1, 4*

[“Today's Comment” column by Thlang Ambal: “To Achieve Peace War Must Be Waged”]

[Text] Not all of the world's wars have been brought to an end through negotiations alone. Some countries have concluded wars through talks, while others have terminated them through war. Vietnam, after 30 years of fighting, finished its war through war. In Cambodia, Pol Pot and Khieu Samphan have also ended a war through war.

The Khmer Rouge [KR] still nurtures the obsolete idea of terminating war through war, by which it has previously succeeded. This being the case, it does not want to hold talks to end the war.

Ignorant individuals-cum-politicians that a party picked up from a “rubbish bin” claim that peace can only be achieved if the Khmer Rouge is included in the Royal Government.

We are still optimistic, however, that “if the war is to be terminated,” the war must be fought. Negotiations

should not be held at any rate, because holding negotiations is tantamount to handing over a sword to the Khmer Rouge.

The policy of “negotiating” with the Khmer Rouge could once again become a “policy of fleeing the country.”

Those siding with the Khmer Rouge must go and stay with them. The Kingdom of Cambodia will not surrender to the Khmer Rouge, come hell or high water.

Sam Rangsi Notes Need for Increased Foreign Funds

*BK0905112894 Phnom Penh National Radio of
Cambodia Network in Cambodian 0500 GMT 9
May 94*

[Text] His Excellency Sam Rangsi, state minister and minister of the economy and finance, said recently that rural development is very important to the Royal Government in its struggle against the Khmer Rouge. He added that, within the next few years, Cambodia will need greatly increased foreign funds if it is to fight against acute poverty, corruption, and violence.

At present, the Royal Government is facing big political and economic problems in a country which has lost everything due to war.

The excellency said that within the next two to three years we will need greatly increased foreign funds and more foreign experts to help bring Cambodia to normalcy and train its human resources.

His excellency the state minister said that he wants a market economy, but at the same time the country also needs the monarchy.

He said the international donors will help (and encourage) us to build a correct, legal, strong and [word indistinct] system.

His excellency the minister of the economy and finance also said that, in a country in which over 85 percent of the population are farmers, the land ownership law is very important and peasants should be encouraged to stay in their hometown rather than immigrate into the cities or be compelled by poverty to join the Khmer Rouge.

His excellency stressed that efforts should be made to enable the people to stay in their hometowns and have enough to feed themselves in line with the goal to make Cambodia self-sufficient in food. He added that this is the best means of defense against the Khmer Rouge.

Philippines

Renewed Tension in Spratlys Worries Manila

BK0905122894 Manila MANILA STANDARD in English 5 May 94 p 4

[Text] The Philippines has renewed its call to set aside sovereignty issues and work instead for cooperation in developing the Spratly Islands, following renewed tension between China and Vietnam triggered by China's go-signal for an American firm to explore for oil in the disputed area.

"We are concerned over developments that tend to disrupt the equilibrium in the region. But we hope that China and Vietnam can resolve this amicably, and later all claimants can proceed multilaterally on the issue," Foreign Affairs Undersecretary Rodolfo Severino said.

"Although this is a bilateral problem, but since its impact has reverberations in the region, then all claimants have an interest in what happens," Severino added.

The latest row between China and Vietnam, two of the six claimants to the Spratly Islands, stemmed from China's grant of oil exploration rights to the Colorado-based Crestone Energy Corp. over a 25,000 square kilometer area of the South China Sea, which Vietnam claimed was within its continental shelf.

Vietnam warned that Crestone's decision to proceed with its exploration of the disputed area was a "serious violation of Vietnam's sovereignty" and would escalate tensions in the region.

Vietnam, apparently in retaliation, also signed up with Mobil Oil Corp. to explore an area overlapping the Crestone concession.

The Department of Foreign Affairs [DFA] said that while the Crestone concession does not fall within the territorial claim of the Philippines in the South China Sea, it is closely monitoring developments in the area to review its implications on regional stability.

"As defined by Presidential Decree 1596, the Crestone exploration block is not covered by the Philippines' claim to the Spratlys. The Crestone block lies some 135 kilometers from the Western boundary of the Philippine claim," a DFA official said.

But the Philippines reminded China and Vietnam of the 1992 ASEAN Declaration on the South China Sea which urged claimant-states "to set aside issues of sovereignty and explore the possibility of cooperation" in the Spratlys.

The official said the Philippine strategy was to initiate bilateral talks with other claimants to the Spratlys to promote the idea of demilitarizing the area and developing the oil-rich islands through cooperation. The Philippines first proposed the plan of demilitarizing the area during President Ramos' state visit to Vietnam.

The Philippines will also continue diplomatic initiatives to adopt confidence-building measures which will "veer away from military confrontation," the official said.

The oil-rich Spratlys is being claimed in whole or in part by the Philippines, China, Vietnam, Brunei, Taiwan, and Malaysia.

Military Training Accord Signed With Singapore

BK0805071394 Singapore THE STRAITS TIMES in English 7 May 94 p 30

[Text] The armed forces of Singapore and the Philippines will carry out regular joint military exercises and training.

A memorandum of understanding (MOU) formalising the training arrangement, as well as co-operation between the two sides, was signed between the Armed Forces of the Philippines (AFP) and the Singapore Armed Forces [SAF] on Thursday.

The signing of the MOU took place at the Department of Foreign Affairs Building in Manila between Mr. Roberto R. Romulo, the Philippine Secretary of Foreign Affairs and Mr. Tan Seng Chye, Singapore's Ambassador to the country.

Anoa-Singa 2/94 will be the first exercise which will be held following this newly signed agreement.

It will be conducted here from May 12-18.

Under the Anoa-Singa series, regular joint land exercises will be held between the two armed forces, with the venue alternating between the countries.

The first exercise under this series took place last year in the Philippines.

Thursday's MOU is, however, not the SAF's first training agreement with the AFP.

Under an earlier one concluded in 1979, the Republic of Singapore Air Force [RSAF] was allowed to deploy regular training detachments at the Clark Air Base.

The RSAF ceased this deployment only when the eruption of Mount Pinatubo in 1990 made the air base inoperable.

The air force agreement expired subsequently, in December 1991.

The Ministry of Defence said that the signing of the new MOU affirmed the friendly relations existing between the two countries and their long-term commitment to closer defence ties and co-operation between the SAF and the AFP.

Release of Rebel Leader, Other Detainees Sought

*BK0905110394 Quezon City PTV-4 Television
Network in Tagalog 0500 GMT 9 May 94*

[Text] The National Democratic Front [NDF] and other militant groups are asking for the immediate release of arrested rebel leader Wilma Tiamzon and a 300 other political detainees. The request was made by NDF Vice Chairperson Luis Jalandoni and the hierarchy of the League of Filipino Students.

The group said that Tiamzon's rights and those of her comrades should be respected so that the peace process being pushed by the Ramos Government can be successful.

According to NDF, Tiamzon should be freed since no charges have yet been filed against her in court.

Export Earnings Hit \$2.92 Billion

*BK0905074094 Manila BUSINESS WORLD in
English 3 May 94 pp 1, 5*

[By Margarita H. Debuque]

[Text] The country's export earnings for the first quarter this year rose by 17.8 percent to \$2.92 billion—a \$440-million uptick from \$2.48 billion in the same period last year.

Dollar earnings for March alone amounted to \$1.05 billion, or up 24.6 percent from its year ago value of \$842.46 million. Month on month, March export receipts exceeded February earnings by a hefty \$132 million.

The National Statistics Office said this is only the fifth time export earnings for a single month hurdled the billion-dollar mark. The other four times were in September to December last year.

As before, electronics and components (composed of micro-circuits and semiconductors) continued to get the lion's share of exports. Dollar earnings in the sector, registering at \$302.04 million, accounted for 28.8 percent of total March exports. This followed a whopping 49 percent annual growth.

Garments and accessories came in second with receipts valued at \$161.44 million. Though earnings dipped slightly by 0.4 percent from the previous month, the sector still absorbed a chunk of export receipts—about 15.4 percent of total March export earnings.

Meanwhile, ignition wiring set and other wiring sets used in vehicles, aircraft and ships ranked third after netting earnings of \$32.14 million. This is 36.2 percent higher than the previous year's value of \$23.6 million, but 5.6 percent lower than \$34.06 million in February.

Riding the wave of economic recovery in foreign markets, dollar earnings from exports of woodcrafts and

furniture registered at \$29.35 million a 15.9 percent jump from last year is \$25.33 million.

Similarly, demand for frozen and chilled shrimps and prawns leaped by 66.6 percent to \$28.33 million. This was tailed closely by cathodes and sections of cathodes of refined copper and gold with receipts ringing up \$27.34 million and \$22.35 million respectively. Gold in particular, more than doubled its earnings as it posted the highest growth rate of 129 percent. A decline in demand, however, was posted by the coconut oil industry because of competition from other vegetable oils and stunted local production.

To show for this, export earnings from coconut oil, though in the eighth slot, fell by 13.1 percent to its March value of \$20.89 million.

Other top dollar earners of the country were fresh bananas (\$20 million) and footwear (\$18 million).

The ten principal exports altogether recorded earnings worth \$661.88 million accounting for 63 percent of total March 1994 exports.

Top Markets

In the first quarter of the year, the Philippine's trade with the ten major foreign markets registered at \$2.41 billion. This is 18 percent higher than \$2.04 billion posted in the comparable period last year.

For March alone, dollar receipts from the ten top markets amounted to \$871.88 million or 83 percent of total export value.

The United States remained the top importer of Philippine products with export earnings from that country reaching \$360.55 million. U.S. consumers gobbled up 34.3 percent of total exports.

Demand for Philippine products there rose 18.5 percent from last year's level as consumers crawled out of a recession.

Local products that did well in the U.S. market include garments, electronics and ignition wiring sets.

Japan ranked second, with Philippine imports worth \$176.69 million or 16.8 percent of the country's total export receipts in March.

Third was Hong Kong, with export purchases reaching \$55.11 million, followed closely by U.K. with imports worth \$51.02 million.

Gains from the major export markets in March added up to \$228.52 million or 21.8 percent of total export earnings.

Other markets were Germany, Singapore, Taiwan, the Netherlands, Thailand and Korea.

Infrastructure Projects Announced for Cordillera*BK1005020094 Manila MANILA BULLETIN in English 5 May 94 p b-18*

[By Emily R. Pena]

[Text] The Department of Interior and Local Government (DILG) announced yesterday the implementation of infrastructure projects, worth P [Philippine peso] 21.621 million, in five provinces in the Cordillera Autonomous Region (CAR).

In a report submitted by the Department of Public Works and Highways (DPWH) to the DILG, it was noted that the multi-million project enrolled by DPWH under the Kabuhayan [Livelihood] 2000 program of President Ramos is designed to increase agricultural productivity in the region.

Among those provinces which will benefit from the project are Abra, Kalinga-Apayao, Benguet, Ifugao and Mt. Province.

Engineer Jose C. Guanzon, DPWH project manager, said the improvement of roads and water supply construction projects using labor-based/equipment-supported (LB/ES) methods will accelerate development in CAR areas specifically, in terms of generating more employment among the people here.

In Abra, the Pigidian-Abra-Ilocos Sur road is being concreted while water supply structure will be constructed in Villaviciosa, Laplapog, and in Lagayan, Pang-ot and in other selected municipalities in Benguet.

Improvement of drainage and road concreting will also be undertaken in Bokod, Benguet-Viscaya road, and in Mankayan, Abatan, and Mankayan-Cervantes in Benguet.

Meanwhile, the DPWH has also identified municipalities in Kalinga-Apayao, Ifugao and Mt. Province that will be included in its infrastructure program under Kabuhayan 2000.

DILG heads the steering committee of Kabuhayan 2000, a program of the government which aims to generate more job employment and opportunities in the countryside within three years.

Thailand**More on Continued Reactions to U.S. Drug Probe****Daily Challenges Accused MP***BK0905143294 Bangkok KRUNGTHAP THURAKIT in Thai 9 May 94 p 2*

[Editorial: "Damage Done to Thailand Cannot Be Removed by a Denial of the Charge"]

[Text] Thanong Siriprichaphong, Chat Thai Party MP of Nakhon Phanom Province, showed his courage when he held a news conference on 6 May to deny the U.S. charge that he was involved in drug trafficking. By formally denying the charge—two days after it was publicized and became a scandal worldwide, Thanong has displayed his sense of responsibility.

Yet, Thanong's denial was simply aimed at self-protection and cannot clear up the damage done to the Thai parliament, which represents the entire Thai people. His denial at the news conference does not prove that the U.S. charge was unfounded. In other words, there is no proof that Thanong's denial was the truth.

A scandal involving a member of parliament naturally affects the image of the whole nation, and, if it is not immediately clarified, the charge would leave a scar on the nation—the way it used to be in the past when our leaders never bothered to correct the image of the country and let the world look at the Thai as untrustworthy people when it came to the question of narcotics.

As Thais who must share the blame, we therefore call on Mr. Thanong, the Chat Thai Party, and the Thai parliament to jointly take responsibility in solving this problem. Mr. Thanong, the accused, especially must show his spirit and accept U.S. inquiries to prove his innocence. In fact, nobody can charge him guilty, neither the U.S. Drug Enforcement Agency nor the Office of the Narcotics Control Board, since there is not enough evidence against him. But as a parliamentarian and public figure, Mr. Thanong should make a sacrifice by answering the U.S. charge to prove his innocence and thus to restore the honor to the entire nation.

At this stage, we think most of the Thai people still hold Mr. Thanong 100 percent innocent. However, when U.S. authorities were seriously seeking cooperation from the Thai Government to deal with the case, we cannot help having doubts about him. Therefore, it is not enough for Mr. Thanong just to deny the charge. Also, it will not improve the image of the country if we treat it as a political game and use a delaying tactic to buy time until the scandal dies down by itself.

We think that, under the present situation, Mr. Thanong should challenge the U.S. justice and prove his innocence with courage and dignity. Mr. Thanong should accept a full investigation, instead of pursuing the case against the media through his lawyer, since that would not help in clearing up Thailand's image.

Handling of MP Suspect Commended*BK0905070894 Bangkok BANGKOK POST in English 9 May 94 p 4*

[Editorial: "Chat Thai Moves in Right Direction"]

The Chat Thai Party's decision Saturday to conduct an inquiry into the drug trafficking allegations made against one of its MPs, Thanong Siriprichaphong, by the US Drug Enforcement Administration (DEA) represents a

step in the right direction to clear up this scandal. The move will dispel any doubt that the party will simply blindly jump to the defence of its member and let the case be swept under the rug after the embattled MP has made the denials.

Notably, the internal investigation on the drug dealing charges was the first taken by the party executive committee under a new helmsman, Mr Banhan Sinlapa-acha, who assumed the party leadership Saturday. Mr Banhan also called upon people to come forward to see him if they have recriminating evidence against any other Chat Thai MPs who may have a hand in shady or illegal activities. Such uncharacteristic straightforwardness should be a healthy sign especially for the Chat Thai Party and also for the political atmosphere in general.

Mr. Thanong's denial of all the charges made against him by the DEA and his announcement that he is ready to fly to the US to defend the case are not unexpected. Yet, these pronouncements by themselves cannot dispel all doubts that may still linger in the minds of many people who are well aware of the MP's background or who heard what he said during the much-publicised press conference at the Parliament last Friday. He could repeat the same denials 100 more times anywhere in this country, but it will simply be a self-deception if he expects more people to take him seriously. The lingering scepticism is not likely to vanish unless he shows his courage to prove his innocence by deed rather than words—that is to face his accuser in the US district court.

It is not impossible that the whole saga may be a well-calculated ploy to discredit the Chat Thai Party and to divert public attention from all the problems and negative events confronted by the Government as suggested by some Opposition MPs. But this is a totally different issue from that of Thanong's. A clear answer must be put forward by the Chat Thai Party before the case could be put to rest.

The party's five-man committee to probe the drugs scandal has been assigned with a daunting task to find out the facts and to make public the result of the findings. At stake is not the reputation of Thanong, but, more importantly, that of the party which has been tarnished more or less. Therefore, the probe team must be impartial and, at the same time, broadminded. To get the facts, it is necessary that the committee must seek information and evidence from the accuser which is the DEA, the Office of Narcotics Control Board, the Police Department or even the National Security Council. In the meantime, the embattled Nakhon Phanom MP who should be regarded as innocent until proven otherwise, must be given the opportunity to prepare his defence.

Mr Thanong's predicament is, after all, just the tip of the iceberg of the shady or illegal business activities that several of our politicians, senior police and military officers and senior civil servants are believed to be involved in and which are yet to be exposed—if they ever get to be exposed at all. There have been talks or reports

of some parliamentarians acting as mafia bosses, operating illegal casinos and surrounding themselves with bodyguards or gunmen, or MPs who talk persuasively about forest conservation in the Parliament but who own and operate sawmills which clandestinely accept illegal logs. Ironically, these men can manage to stand tall in society and accorded due respect.

Chat Thai is a big party which is made up of members of diverse backgrounds and business activities—some of whom are known to be involved in unlawful or unethical activities. The party should also be well aware of its problem of reputation and recognition, especially among the well-educated public. If the party is to gain the trust and recognition of the public, its first priority should be to clean up its image which, in the past, has been tainted by its close association with or its subservient attitude toward politically ambitious military officers and the lack of political conscience.

With a new leader in charge, the Thanong case will hopefully provide a fresh start for the Chat Thai Party to project a new image and to take a new political course that will be more acceptable to the general public.

Finance Chief on IMF Inflation Measures Call

*BK0905094094 Bangkok THE NATION in English
9 May 94 p B1, B2*

[Excerpt] Finance Minister Tharin Nimmanhemmin stressed that it is not yet necessary to use monetary measures to curb inflation because the Bank of Thailand is still able to ensure the inflation rate does not exceed 4.5 per cent this year.

In an interview with THE NATION, Tharin responded to an International Monetary Fund (IMF) suggestion urging the Thai government to cautiously deal with possible high inflation. Tharin said that the Bank of Thailand is still able to "fine tune" the economy. Moreover, the Finance Ministry has maintained discipline in government's spending, he said.

He said that he got an assurance from the Bank of Thailand that the inflation rate would not exceed 4.5 per cent by the end of this year. Although the inflation rate in the first quarter was 4.8 per cent, Tharin said that the rate increased by only 3.7 per cent over the past 12 months. In the first quarter of 1993, the inflation rate rose by 3.3 percent over the previous year.

Tharin attributed the 5 percent inflation rate in January to the rise in farm prices. The central bank has already informed him that farm prices will be soon reduced, he noted.

"The IMF suggestion came as result of the brief observation from two or three IMF staffers who visited Thailand only for a few days. At any rate, the Finance Ministry and the Bank of Thailand have been particularly aware of the inflation rate," he said.

Tharin said that the inflation was largely caused by inadequate good supply, not the government's excessive expenditure. "I still believe Thailand will be able to control the inflation rate at 4.5 per cent, while the real economic growth rate should be 8 per cent on an annual basis," he said. Tharin added that he expects the private sector will participate more in the investment sector in the near future.

"My prime concern, instead, is slower growth in domestic savings," Tharin said. He said that he has assigned the Bank of Thailand to find out the cause of the marginal growth in domestic savings; whether money was transferred to other types of investment such as mutual funds and has not been brought back into the system.

Tharin stressed that the Finance Ministry will keep the government's expenditure below Bt[baht]715 billion in 1995. Although the government has to spend Bt32 billion on a salary rise for civil servants, Tharin said the pay rise is unlikely to cause inflation problems. [passage omitted]

Trade Figures With Japan, U.S. in 1993 Released

BK1005055194 Bangkok Radio Thailand Network in English 0000 GMT 10 May 94

[Text] Statistics show that Japan remains Thailand's biggest trading partner with bilateral trade volume of 513,000 million baht in 1993, an increase of 15 percent.

The Department of Business Economics says that in 1993, Thai exports to Japan accounted for 160,000 million baht, an increase of 10 percent. Thailand imported 535,000 [figure as heard] million baht from Japan. This represented an increase of 17 percent, widening Thailand's trade deficit with Japan to 193,000 million baht.

The United States came second in trade relations with bilateral trade volume of 338,000 million baht, an increase of 10 percent over the figure of 1993. The European Union and ASEAN came next. Thailand suffered a trade deficit of 17,000 million baht with the European Union, while it registered a surplus of 56,000 million baht and six million baht over the United States and ASEAN respectively.

Minister Sawit Visits Burma for Energy Talks

BK0705122894 Bangkok Radio Thailand Network in English 0000 GMT 7 May 94

[Text] Minister to the Prime Minister's Office Sawit Phothiwihok is leading a 20-member delegation to Myanmar [Burma] during 5 and 8 May for talks on energy cooperation. Minister Sawit will negotiate the purchasing price of Myanmar natural gas to be supplied to the Petroleum Authority of Thailand from Myanmar's (Yedana) field in the Gulf of Martaban. Discussion with

the Myanmar side will also touch on bilateral cooperation in tourism, investment, and water source development. The Thai delegation will call on Myanmar leaders and meet Thai investors there.

Meanwhile, the Myanmar Government this week released 30 Thais mainly fishermen jailed in that country. The ceremony to free the Thais was held at the Victoria Point and in the presence of the Thai delegation. The release was made with the good relations between Thailand and Myanmar taken into account.

Burma Urged To Regulate Natural Gas Prices

BK0905120994 Bangkok Radio Thailand Network in English 0000 GMT 9 May 94

[Text] Thailand has asked Myanmar [Burma] to regulate the prices of its natural gas export in line with fuel oil prices.

During his meeting with Myanmar Minister of Energy U Khin Maung Thein, Minister to the Prime Minister's Office Sawit Phothiwihok told the Myanmar minister that Thailand plans to utilize natural gas supply from Myanmar at the power plant in Rat Buri Province in the central plain bordering Myanmar.

He explained that the power plant can use either fuel oil or natural gas and that higher prices of natural gas would not be acceptable.

The Thai minister also informed his Myanmar counterpart that Thailand has also contracted to buy energy from the Lao People's Democratic Republic and Malaysia. Moreover, the government has allowed the private sector to participate in power generation. He said Thailand could not afford to buy fuel at higher prices from Myanmar.

Northern Tribesmen Paid To Plant Marijuana

BK1005102094 Bangkok MATICHON in Thai 10 May 94 p 12

[Text] Police Colonel Thatnarong Winyanrat, commander of the Border Patrol Police Unit No. 34 in Tak Province, said during an interview that he agreed with the Office of Narcotics Control Board's [NCB] report labelling Tak, Phitsanulok, and Chiang Mai Provinces as the major marijuana-producing areas in northern Thailand. He pointed out that over 75 percent of the area in Tak is mountains and dense jungles suitable for marijuana cultivation by hill tribes such as at Pang Sangkasi, Vang Tamlung, and Phaphun villages in Na Bot District and Na Khiri village in Muang Tak District.

Police Colonel Thatnarong added that capitalists from the northeastern region and upper part of the northern region will normally give marijuana seeds to tribesmen to begin cultivation at the beginning of the rainy season and provide the necessary instructions to ensure a bumper harvest. Marijuana is compressed into bars and sent by trucks to Chiang Rai Province from where the

drug will be shipped down the Mekong River to the Gulf of Thailand for export to foreign countries and sale in domestic markets.

The officer said: "Our unit has been coordinating with the northern branch of the Office of Narcotics Control Board in search of marijuana plantations in the northern provinces. We destroyed not less than 15 tons of the grass worth millions of baht during each crackdown operation. However, the authorities also faced numerous difficulties because all the plantations are located in remote and mountainous areas which enables the culprits to flee before their arrival."

Meanwhile, Suphong Manatphaibun, deputy governor of Nakhon Phanom Province, disclosed that the provincial administration does not have sufficient information to confirm the NCB office's claim that Nakhon Phanom is the largest marijuana-producing area in the country. However, he admitted that there are some marijuana plantations in the province. Several portions of the drug found in the province were smuggled into the country and authorities have been instructed to launch regular search and suppression operations.

Sub-lieutenant Prawat Athipanya, deputy governor of Sakon Nakhon Province, expressed his disagreement with the report by the NCB Office saying Sakon Nakhon is one of the three largest marijuana-producing provinces in Thailand, noting that small plantations are scattered in the mountainous areas of Kut Bak District and Phuphan reserve forest. Unlike other provinces, Sakon Nakhon does not have any big investors engaging in marijuana cultivation. The provincial administration has ordered that continuous suppression operations be carried out throughout the province.

Sub-lieutenant Praswant said: "Most of the grass is grown in Tha Uthen District of Nakhon Phanom Province and in Laos, where Lao farmers plant marijuana along the bank of the Mekong River. We can clearly see the plants from the Thai side." He disclosed that Sakon Nakhon is no longer a marijuana transit point due to intensified suppression operations by provincial officials.

Banphot Piamdi, director of the Narcotics Control Center in the northern region, revealed that opium cultivation remains the big problem in the 17 northern provinces. The total acreage used for opium cultivation in 1993 was as high as 16,000 rai [2.5 rai is equivalent to one 1 acre]. Marijuana cultivation was first introduced to Sukhothai, Phitsanulok, Mae Hong Son, Chiang Mai, and Chiang Rai Provinces in 1987 and later spread to other nearby provinces. Tribesmen have found it easier and less complicated to grow marijuana than opium. Moreover, they can earn more from planting marijuana. More tribes people have now shifted to planting marijuana, but most of them plant the crop for their own consumption and sale in small quantities. Marijuana is not as big a business here as it is in the northeast.

Witthaya Kaeopharadai, Phalang Tham MP from Nakhon Si Thammarat Province, said people should not think that the U.S. drug charge against MP Thanong Siriprichaphong is politically motivated, adding that Thanong has acted correctly in appointing lawyers to deal with and clear himself from the U.S. accusation.

Asked about the thesis by an NCB official on police involvement in drug trafficking connections, Police General Prathin Santipraphop, director general of the Police Department, replied that the topic is not unusual. In the past, several police officers and officials of other government agencies have been arrested on drug charges.

Money Laundering Law To Curb Drug Trade Studied

BK1005091794 Bangkok BANGKOK POST in English 10 May 94 p 1

[Text] The Government is considering drafting an anti-money laundering law as part of stepped-up measures against the lucrative drug trade.

The disclosure, made by an anti-narcotics agency chief yesterday, follows the United States accusation last week that prominent Thai businessman and Opposition Chat Thai MP Thanong Siriprichapong is involved in exporting marijuana to the US.

Pol Gen [Police General] Chawalit Yotmani, secretary-general of the Office of the Narcotics Control Board [ONCB], said his agency was in the process of coordinating with government organizations to draw up the law.

The legislation would empower government officials to check into the financial records of individuals suspected of involvement in the narcotics trade and to confiscate any money found to have been derived from drug sales.

The ONCB earlier successfully pushed for the law empowering the Government to confiscate the assets of people convicted of narcotics offenses.

"The planned legislation is expected to help effectively deal with the lucrative narcotics business," said Pol Gen Chawalit.

The ONCB chief said he believed government agencies responsible for financial matters such as the Finance Ministry had the capability and methods to trace the financial records of suspected drug traders.

Pol Gen Chawalit, emphasizing the urgency of the legislation, said he had discussed the matter with government leaders and many had supported its early implementation.

Deputy Prime Minister Banyat Banthathan, while confirming the proposed law was in the making, said the Government would have to be careful in enacting such legislation as it could contradict the principle of basic human rights.

The Government will have to study past problems in solving the narcotics problem before deciding what measures should be incorporated to enhance efficiency.

Finance Deputy Minister Trairong Suwannakhiri said he fully supported Pol Gen Chawalit's proposal as the measure would enable officials to fight the narcotics trade more effectively.

"We must help eradicate dirty money from the drug business," said the outspoken politician.

He said the proposed legislation, if implemented carefully, would not violate individuals' rights.

The checking of financial records could be limited to people on official blacklists only or to those suspected of involvement in the narcotics trade about whom the ONCB lacks evidence to press charges.

The Finance Ministry is ready to support the ONCB's proposal, he said.

Pol Gen Chawalit, when asked to comment on Mr Thanong's case yesterday, refused to offer any statement.

He said on Mr Thanong's claim that he had not been contacted by the US Drug Enforcement Agency concerning the accusation that the MP could say anything he wanted.

"I personally have no comment on that," he said.

There have been reports more politicians have been blacklisted for narcotics involvement, but Pol Gen Chawalit said only:

"I cannot make any comment even if I know anything about it. We just don't have enough evidence."

Mr Thanong is due to appear before the House Parliamentary Affairs Committee to answer the US allegations.

Committee member Pricha Suwannathat said the panel would ask the US Embassy in Bangkok to supply all documents related to the allegation.

House Speaker Marut Bunnak yesterday dismissed as groundless an unpublished paper alleging that there were eight other MPs from the Northeast involved in drug trafficking.

"I can not give this thesis any credence," said Mr Marut.

The media has publicized a so-called "secret" Chulalongkorn University paper by Chumphon Phongsuwan which states there are eight other MPs involved in the drug trade. The paper, entitled "Marijuana Politics: a Power Structure Case Study of Local Politics" earned the special agent with the Office of Narcotics Control Board the best thesis award of 1987.

"There are both good and bad people in every organization including the House. But no rumor should sling groundless mud to dirty the House," said Mr Marut.

He said the paper did not specify when the MPs allegedly involved in the drug trade sat in Parliament and the lack of detail led him to disbelieve the allegation.

He also praised the Chat Thai Party for setting up a five-man committee to investigate the allegations against Mr Thanong.

"I believe the Chat Thai probe committee will be thorough in their investigation. The members are all competent statesmen and lawyers."

Chat Phatthana Party secretary-general Prachuap Chaiyasan said about the paper:

"We have to be openminded. The thesis did not mention any name in particular. The official has to investigate and show proof so that our country can clear this drug trafficking image."

Mr Prachuap said he did not believe the Chat Thai Party would protect Mr Thanong. Any member which brings notoriety to the party should act responsibly.

He said the House has the burden of proving the allegation and must make the information public.

"Every MP should be aware of the importance of his own reputation and history, and that is why Mr Thanong's case should be investigated," he said.

Department To Tighten Rules on Insurance Profits

BK0905095794 Bangkok BANGKOK POST in English 9 May 94 p 17

[Text] The Insurance Department will tighten the rules on life insurance companies sending their profits to parent firms abroad in order to encourage them to invest more money in Thailand, according to Department Director General Pracha Charutrakunchai.

A maximum of 60 percent of life companies' net profits can now be sent abroad, with some leeway permitted by the registrar of insurance companies, who is the department's director-general.

Rapid economic growth helped enlarge the insurance market and some companies should invest more of their increased earnings locally, he said at the weekend.

The department would not set a formal ceiling for the amount of net profit which a company could remit abroad. It would consider the issue case by case, he said.

The move is aimed at the only foreign-owned life insurer operating in Thailand, American International Assurance, but Mr. Pracha denied that the company would suffer, saying treatment would be fair and would not affect the Government's policy of promoting foreign investment.

Only five foreign companies had non-life insurance operations in Thailand, New Hampshire Co, Universal

Co, Guardian, Commercial Union, and part of the AIA operation. These five altogether remitted around 100 million baht in profit to their head offices abroad.

American International Assurance has more than 50 percent of the life insurance market in Thailand. From January to September 1993, about 216,700 of the total of 792,580 life insurance policies held by AIA clients represented 11.7 billion baht in premiums, compared with 24.2 billion baht for the industry as a whole.

The AIA took 3.28 billion baht in first-year premiums for the first nine month of 1993 compared with 6.57 billion baht generated by all 12 life insurance companies in Thailand.

In 1992 the company sent abroad about 700 million baht accounting for 48.5 percent of its total net profits.

The company reported healthy growth in profits last year in line 17-18 percent for the industry overall.

Mr. Pracha said he appreciated the AIA's apparent investment of large sums in the stock market, loans and property investment.

Its investment was worth as much as 30 billion baht, but he would still seek greater local input by the company.

Vietnam

Vice President To Attend Mandela's Swearing-In

*BK0705114994 Hanoi Voice of Vietnam in English
1000 GMT 7 may 94*

[Text] Vice President Nguyen Thi Binh will attend the swearing-in ceremony of South Africa's President Nelson Mandela, scheduled for 10 May in the capital city of Pretoria. The visit is made at the invitation of South African Government. It is to express Vietnam's solidarity and support to the South African people in general, and the African National Congress in particular.

Foreign Ministry on Spratlys, South Africa

*BK0505155894 Hanoi Voice of Vietnam Network
in Vietnamese 1430 GMT 5 May 94*

[Text] At a 5 May press conference, our Foreign Ministry spokesperson answered questions from national and foreign correspondents.

AFP and ITAR-TASS correspondents asked: Please inform us of Vietnam's reaction to the results of the South African election; the election of Mr. Nelson Mandela as president of the Republic of South Africa.

Answer: Vietnam welcomes the results of the South African election; the victory of the ANC and the election of Chairman Nelson Mandela as South Africa's president. This victory is the result of a long and hard struggle by the South African people against apartheid. It is also the victory of the world's unity and support for the South

African people, especially for the ANC in its fight. Vietnam wants to develop relations with the new South Africa. In order to express the Vietnamese people's unity and support for the South African people and the ANC, Vice President Nguyen Thi Binh will attend the upcoming presidential inauguration in South Africa.

A VNA correspondent asked: Please inform us of Vietnam's opinion regarding reports that Chinese ships, in coordination with Taiwanese ships, have conducted surveys and exploration in the Truong Sa Archipelago [Spratlys] area, and that other ships have conducted oil and gas exploration there as well as in Vietnam's Tu Chinh [Vanguard Bank] area.

Answer: There are two different issues here that are sometimes confused. I would like to clarify the following:

1. Vietnam has had enough historical and juridical documents to reaffirm its undisputable sovereignty over the Truong Sa Archipelago. Therefore, foreign activities involving exploration, surveying, and exploitation of resources in the Truong Sa Archipelago without Vietnam's permission are in violation of Vietnamese sovereignty.

With respect to measures to settle the dispute there, Vietnam has made it clear that these should be on the basis of equality, understanding, mutual respect, respect for international law and the 1982 Convention on Maritime Law, and respect for the national sovereignty of countries that have special economic zones and continental shelves. All sides must refrain from further complicating the situation, using violence, or threatening to use violence. Vietnam has consistently followed this line.

2. The Tu Chinh area lies fully within Vietnam's economic zone and continental shelf. Vietnam determinedly reaffirms its sovereignty over this area in conformity with the regulations of current international maritime law. There is no disputed area here; this issue was intentionally created by somebody and incorrectly accepted by somebody else.

Even before 1975, this area was divided into lots for bidding by foreign companies to conduct surveys and exploit oil and gas, including the Mobil Company of the United States. After 1975, the Vietnam Oil and Gas Company divided it into lots, conducted surveys, and explored for oil and gas. This included setting up joint ventures with foreign countries. Nobody said anything about it. In fact, nobody could say anything about it because Vietnam acted in accordance with international law.

Vietnam and other regional countries are concerned about recent reports regarding the activities of some countries, which complicate the situation in the Truong Sa Archipelago as well on Vietnam's continental shelf. In its pronouncements, the Vietnamese side has resolutely demanded an end to those activities and has confirmed the consequences of these illegal activities. [trong cacs tuyen boos cuar minh, phias vietj nam dqax kien

quyeets dgoif chaams duwts nhuwngx hoatj dgoongj dqos vaf khawngx dqinhj trachs nhieemj veef nhuwngx haauj quar do cacs hoatj dgoongj trais pheps nayf gaay ra] We hold that respecting international law is an absolute condition for preserving stability and developing cooperation.

Deputy Prime Minister Receives ROK Delegation

*BK0705083894 Hanoi VNA in English 0707 GMT
7 May 94*

[Text] Hanoi VNA May 7—Deputy Prime Minister Phan Van Khai received here yesterday afternoon a delegation of the External Relations Committee of the parliament of the Republic of Korea led its chairman Chung Jei Moun [name as received] now on a visit to Vietnam.

Speaking to his guests, Deputy Prime Minister Phan Van Khai affirmed new step of the development in the relations between Vietnam and the Republic of Korea (ROK) in recent years, and hailed the ROK's successes in the cause of renovation and socio-economic development. In the past time, the deputy prime minister expressed his belief that the delegation's visit to Vietnam would further promote the friendship and multifaceted cooperation between Vietnam and the Republic of Korea. Mr. Chung Jei Moun, for his part, expressed his admiration at the great achievements recorded by the Vietnamese people in their cause of national construction and renovation. He said he hoped that Vietnam and ROK would promote the exchange of their experience, thus contributing to further development of the friendship and cooperation between the two legislatures, two governments and peoples.

Success of Foreign, Economic Policies Noted

*BK0905111094 Hanoi VNA in English 0621 GMT
9 May 94*

[Text] Hanoi VNA May 9 - 'One enemy is too many, a hundred friends are too few.' Such is the Vietnamese saying which is often quoted these days by mouth and in deed by the Vietnamese leaders and also the man on the street. The latest examples are the visits to Indonesia and Iran by President Le Duc Anh, to India by Chairman of the National Assembly Nong Duc Manh, the visits to Vietnam by dignitaries from the Czech Republic and Ukraine, and the constant influx of foreign business people who visit to probe the market opportunities in Vietnam. American businesses even held an exhibition in Hanoi to advertize their industrial and consumer goods.

In the 50 days from March Vietnam hosted over 50 foreign delegations of ministerial level and higher and thousands of business people. Most notable were the visits by the presidents of Mongolia and the Philippines, the prime ministers of Singapore, Thailand, Sweden and Australia, the deputy prime minister of Russia, and HRH Princess Anne and minister of state for external

relations of Great Britain. During the same period, General Secretary of the Communist Party of Vietnam Do Muoi visited Malaysia, other Vietnamese leaders and high officials visited countries in Asia and America. In the coming days, President Le Duc Anh, Prime Minister Vo Van Kiet and Deputy Prime Minister Tran Duc Luong are expected to visit various countries and regions in the world.

On all these occasions, Vietnamese leaders reassured their guests and hosts that 'Vietnam wants to be friend all the countries in the world', that 'Vietnam is trying to build a law-governed state and a strong country, a rich people and an equitable and civilised society', and that 'Vietnam pursues an open, independent and sovereign foreign policy to diversify and multilateralise its international relations'.

These are the wishes of the Vietnamese people who have fought through four decades of war to defend and build their country. They are also in line with the current trend of the world.

In fact, Vietnam has been moving along these lines since the beginning of the national renewal, especially since the start of the nineties. It has made very important initial achievements, including the way the country is viewed in the eyes of the people of the world. Instead of Vietnamese fleeing the country, the world is seeing Vietnam make an annual GDP growth of 7 to 8, which is expected to climb to 9 or 10 over the next few years, export about 2 million tons of rice a year and host over 850 joint-venture and foreign invested projects with a total prescribed capital of over 8.5 billion USD. Visiting these joint ventures now, one will hear English, French, German, Japanese, Chinese, Korean and many other languages.

The world also sees an increased presence of American businesses in Vietnam. The lifting of the US embargo against Vietnam has finally driven home to many Americans that they have come too late in the race into the Vietnamese market, and that American economic interests in Vietnam are already, really sizable. Deputy Foreign Minister Le Mai told this writer that when the remaining few consular matters are settled, Vietnam and the US will open representative offices at each other's capital.

When that comes, it will be yet more proof of Vietnam's successes in its renewal cause which has helped Vietnam improve its bilateral relations with many countries, regions and international institutions and organisations.

Hanoi Meeting Marks Dien Bien Phu Victory

*BK0605152594 Hanoi VNA in English 1458 GMT
6 May 94*

[Text] Hanoi VNA May 6—A grand meeting was held here today to mark the 40th anniversary of the Dien Bien

Phu battle - most resounding victory of the Vietnam Army over the French expeditionary force (May 7, 1954).

Prominent among those present at the event were party General Secretary Do Muoi, President Le Duc Anh, Prime Minister Vo Van Kiet National Assembly Chairman Nong Duc Manh, and General Vo Nguyen Giap, former commander-in-chief of the VPA and commander of the Dien Bien Phu battle.

In the key-note speech at the meeting, Prime Minister Vo Van Kiet said: 'The Dien Bien Phu victory entered into the history of the Vietnamese people as a bach dang, a chi lang, and a dong da battle in the 20th century, a golden marker in the thousand-year history of building and defending the nation, a real and legendary exploit in the Ho Chi Minh time.

That is an ever lasting pride of the Vietnamese people, a source of encouragement to all nations in struggle for national independence, freedom and the human values'.

The prime minister pointed out that the Dien Bien Phu victory was made from the braveness and growth of the whole nation, the correctness of the revolutionary line, the vitality new regime, new society and new state in face of war challenges, the strength of the Peoples Armed Forces and the international support which the Vietnamese people remember and for which they were grateful to forever.

The victory, he said, is heritage of the national tradition, the development of the august revolution, and the crown of the first war of resistance.

The prime minister said that the Vietnamese people were launching a new struggle for prosperity, happiness and social justice.

Prime Minister Vo Van Kiet said he strongly believed that the Vietnamese people would push up the current process of renovation and development to steady success.

After reaffirming Vietnam's persistent foreign policy of being friends with all countries in the world, Prime Minister Kiet noted: 'After Dien Bien Phu especially in recent years, the relations between Vietnam and France has clearly entered into a new period. The multi-faceted cooperation between the two countries has proved that when the two parties have mutual understanding and goodwill, they could totally close their past pages to develop their normal fine relations.

The prime minister called on the entire nation to concentrate on building the country as well as the tasks of defending national independence, sovereignty, territorial integrity and national security. 'We should exert our efforts in strengthening the people's army, the people's security force and other people's armed forces to ensure that they would always play their key role together with the entire people, to firmly defend the airspace, the sea,

and the territory, including the islands of our motherland', the prime minister stressed.

Defense Minister, Others Attend DBP Ceremony

*BK0805070094 Hanoi Voice of Vietnam Network
in Vietnamese 0500 GMT 7 May 94*

[Report by Xuan Bach]

[Text] The provincial party committee, People's Council, and People's Committee of Lai Chau Province held a solemn meeting in Dien Bien Phu [DBP] this morning to mark the 40th anniversary of the historic Dien Bien Phu victory. Present were Doan Khue, Political Bureau member and defense minister, representing the party Central Committee; Deputy Prime Minister Nguyen Khanh, representing the government; National Assembly Vice Chairman Phung Van Tuu; representatives of various departments and branches at the central level; representatives of Lao Cai, Son La, Yen Bai, and Hoa Binh Provinces; representatives of Luang Prabang and Phong Saly Provinces in the Lao People's Democratic Republic; and 20,000 people from various ethnic groups in Lai Chau.

Delivering a speech at the meeting, Comrade Nguyen Niem, member of the party Central Committee and secretary of the Lai Chau Province party committee, pointed out the significance of the Dien Bien Phu victory and the lessons of experience to be developed in the cause of socioeconomic construction in Lai Chau in accordance with the renovative spirit initiated by our party.

In his speech, Senior General Doan Khue reviewed the development of the war of resistance against the French that climaxed with the Dien Bien Phu campaign. As for the role and significance of the decisive and historic Battle of Dien Bien Phu, the comrade pointed out that the Dien Bien Phu victory was regarded as the common victory of the three peoples on the Indochina peninsula during their war of resistance against the French. The Dien Bien Phu tradition has been developed to the fullest, it contributed to bringing about the great victory in the spring of 1975, and it has helped us continue to overcome difficulties in building socialism successfully in Vietnam.

On behalf of the younger generation, Comrade Mu A Cua, secretary of the Lai Chau Province Youth Union, resolved to achieve all socioeconomic targets set by the party and state.

The ceremony was followed by a show-of-strength parade and a fitness demonstration program under the theme: Let the Mountains and Jungles Be Green, Fruit Orchards and Rice Fields Be Laden With Fruit and Panicles of Rice, and Smiles Bloom on Young Faces. It was designed to commemorate the 40th anniversary of the Dien Bien Phu victory.

NHAN DAN Article Marks Birthday of Karl Marx

BK0705114194 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 5 May 94

[Text] On the occasion of the 176th anniversary of the birth of Karl Marx—5 May 1818—NHAN DAN carries an article by Hoang Tung entitled: A Science of Life. The newspaper says that Marxism-Leninism is part of the colossal treasure of wisdom accumulated by human society. Marxist doctrine has extraordinary value in the science of thinking and in the idea of liberating society, human beings, and thinking. Marxist doctrine has a long-lasting vitality. It is an open doctrine that has been constantly supplemented and developed, and has determined their path of national liberation, regained their independence and freedom, and taken the initiative in renovating their socialist thinking. It has increased production toward the goal of building a prosperous people, powerful country, and civilized society. We must firmly grasp the science of thinking and the pattern of national development so as to bring Vietnamese thinking to a new level on the basis of our guiding ideology: Marxism-Leninism and Ho Chi Minh Thought.

To study Marxism is to study his scientific method of thinking and struggle to follow his example in dedicating our whole life to our lofty cause.

Party Secretary Discusses 'Peaceful Evolution'

BK0605151294 Hanoi Voice of Vietnam Network in Vietnamese 2330 GMT 4 May 94

[Statement by Le Hoang Quan, party committee secretary of Bien Hoa City in Dong Nai Province; date not given—recorded]

[Summary] Bien Hoa City is the cultural and economic center of Dong Nai Province. It is also a major economic development area of the southeastern region of the country. With a population of over 400,000 made up by 140,000 Catholics, 30,000 Buddhists, and a number of Cao Daists, the main concern of the local authorities is to raise the revolutionary vigilance among the people, while effectively carrying out the party and state policy toward religions. The authorities should strive to avoid the situation of the enemy exploiting the extremists within religions to agitate the public to commit illegal activities.

To subdue the 'peaceful evolution' activities in the locality, the authorities have to:

- Strengthen educational campaigns to help cadres, members of the armed forces, and people of Bien Hoa to realize all maneuvers that enemy may use in the city.
- The enemy will carry out their scheme in many fields. We need to consolidate the people's patriotic traditions in building up more steadfast armed forces that can positively prevent and break down all sabotage activities.

- Party and state organizations should intensify internal security task and suppress corruption and ironhandedness.

- Taking advantage of our open door policy, the enemy will find ways to intrude and cause disorder. Hence, we need to be careful and flexible while expanding our external relations and cooperation activities.

Deputy Defense Minister on Corruption, Smuggling

BK0805064994 Hanoi QUAN DOI NHAN DAN in Vietnamese 21 Apr 94 pp 1, 2

[Interview with Senior Lieutenant General Nguyen Trong Xuyen, member of the Communist Party of Vietnam Central Committee and deputy defense minister, by correspondent Pham Minh Chau; place, date not given]

[Summary] [Pham Minh Chau] "Dear Comrade Deputy Minister: As chairman of the Committee for Fighting Corruption and Smuggling under the Ministry of National Defense, how do you see the evil of corruption and smuggling in the Army?"

[Nguyen Trong Xuyen] Corruption and smuggling are painful evils imposed on our people. The party and state have introduced many resolutions, directives, and measures to stop these evil practices, but the results have been very limited. Our Army is a part of society. Therefore, the evils of corruption and smuggling have also appeared in the Army. Because of its tight control and different operational characteristics, however, corruption and smuggling are less severe, with very few serious cases in the Army.

"The most common form of corruption and smuggling in the Army is when private traders lure greedy military personnel and units to be a front for their illegal businesses. Some units also use military vehicles to transport smuggled goods or use military facilities to store smuggled goods. Some units allow their troops to smuggle goods while carrying out their economic duties. Yet the number of these cases and the quantity of goods involved is not great."

At present, the Ministry is investigating military units that have bought smuggled cars to sell for profit.

"Regarding corruption, its main manifestation is the exploitation of management positions and authority over controlling materials and budgets to accept bribes. They also take advantage of payment loopholes to create a difference between the actual cost and the amount of money recorded on paper or on an invoice in order to appropriate state property, budget money, and unit funds. This type of corruption is normally practiced in infrastructure construction projects because of the great amount of money and materials, management difficulties, and loopholes in payment procedures."

[Pham Minh Chau] "Dear Comrade Deputy Minister, can you brief us on the results of the fight against corruption and smuggling in the Army following the issuance of directives by the party Central Committee Secretariat and the prime minister?"

[Nguyen Trong Xuyen] It is possible to say that our Ministry has strictly observed the party Political Bureau directive, the National Assembly resolution, and the government directives on fighting corruption and smuggling. The Military Inspection Section has worked with military leaders to conduct financial, logistical, material management, and transport management inspections in units suspected of corruption. It also coordinates with market management teams to clarify some cases. By checking 613 military vehicles in the 5th, 7th, and 9th Military Regions and in two armed corps, we discovered 20 vehicles transporting illegal goods. We also discovered more than 30 civilian vehicles using military registration plates to carry smuggled goods. In the fourth quarter of 1993 and the first quarter of 1994, military inspection and control organs discovered and filed charges in many corruption cases. In the first quarter of 1994, we imposed penalties on 14 cadres and party members for corruption and 27 other military personnel for smuggling. The results achieved in the fight against corruption and smuggling have brought about positive changes, but compared to the requirement they are still far from our expectations.

[Pham Minh Chau] "Based on those cases of corruption and smuggling you have uncovered, can you cite the main causes of these evils in the Army?"

[Nguyen Trong Xuyen] There are many causes; they have been mentioned in several state and section meetings, conferences, and seminars. We have talked enough about the causes of corruption and smuggling. The causes of these evils in the Army are the same as elsewhere. In the Army, the most direct and important cause is the lack of responsibility and proper management by leaders and unit commanders over their subordinates. We must differentiate two separate sets of circumstances, though. The first is intentionally creating conditions and providing the necessary papers for personal benefit. The second, which is more common, is a lack of vigilance and knowledge of the law and state and army regulations by Army leaders. Their subordinates take advantage of this to practice corruption and smuggling. In any event, the leaders still have to be responsible for wrongdoings in their units.

[Pham Minh Chau] "So in the future, what measures should be taken to prevent and fight corruption and smuggling sufficiently?"

[Nguyen Trong Xuyen] Corruption poses a danger to our renovation undertaking. Fighting corruption and smuggling is an important undertaking of the entire party, people, and Army and all of society. The Central Military Party Committee and the Ministry are resolutely

fighting these evils in the Army because this is one of the urgent requirements to build a revolutionary army.

Regarding practical measures to prevent and fight corruption and smuggling, each unit needs to establish its most appropriate and effective way of fighting. Whatever measures are taken, though, they must concentrate on three fundamental measures: combining education and management with inspection, maintaining tight control, and strictly punishing violations according to state laws and military discipline.

Fighting corruption and smuggling is a very complicated task because humans have hidden diseases. We believe that with unity between management and command and between the higher and lower levels, together with public participation, the fight will achieve actual results on the way toward eliminating these evils step by step to restore military discipline and order, thus earning the trust and love of the party, state, and people.

[Pham Minh Chau] Thank you, Comrade Deputy Minister.

Smuggled Cars, Cigarettes Seized in Binh Dinh

*BK0905103694 Hanoi Voice of Vietnam Network
in Vietnamese 1430 GMT 8 May 94*

[Report by Vu Trung Hung, correspondent of the Binh Dinh Province Radio and Television Station]

[Text] Lately, particularly since early 1994, Binh Dinh province has intensified its efforts to deal with various cases of smuggling. The market control force, in coordination with the public security force and the authorities at various levels, has made arrests involving large quantities of electronics goods illicitly imported through the port of Qui Nhon. It has also confiscated some 400,000 packs of foreign-brand cigarettes smuggled through the Central Highlands to Qui Nhon, from where they would have been transported to various northern and southern provinces.

It is especially noted that the province has dealt with some cases of car imports which were not carried out in accordance with the state regulations.

After sending a report to the government, on 21 March 1994 the province people's committee decided to confiscate eight cars with steering wheels on the opposite [right-hand] side which had been illicitly imported and put into use by the Binh Dinh Province Marine Import-Export Corporation.

On 3 May 1994 the provincial people's committee decided to confiscate 38 sedan cars illicitly imported and kept at a storage facility rented from the Dieu Tri branch of the 2d Central Agricultural Supply Corporation in Danang. These cars were later claimed by a number of people who said they were representatives of the Khanh Hoa Province General Trading Corporation, the Kon Tum Province General Trading Corporation, the

Nhatrang Sea Liners Supply Service Corporation, and the Thai Binh Duong [Pacific] corporation under the Ministry of the Interior. But these people were unable to produce any papers—affidavits or powers of attorney—of the agencies they claimed to be representing. Although some of them did produce some papers, there were many irregular and contradicting points found in them. For instance, an import permit issued by the Nhatrang licensing department was found to be at variance with the regulations of the Ministry of Trade. All the owners of these goods were found to have no authority or no licenses in the car import-export business. There were also wrongdoings on the part of the Binh Dinh Customs Office. For instance, the office did not put the cars under temporary custody pending customs measures. It kept them in storage without informing the local administration of this. Customs control measures were taken before some cars involved had arrived. Cars already checked by customs were kept indiscriminately among unchecked cars. Although imported through the port of Danang, some of the cars were found when they arrived in Qui Nhon to have not gone through control procedures as stipulated.

The Binh Dinh Province People's Committee has decided to confiscate the 38 [as heard] cars cited above. The Provincial Market Control Steering Committee has forwarded the files of these cases to responsible investigation agencies to clarify violations involving a number of customs cadres, some individual owners of goods, and some agencies.

Binh Dinh province is also taking legal action against the province's Marine Import-Export and Shipping Company on charges of illicitly importing 73 car chassis, 60 automotive engines, and 35 sets of truck chassis with engines, which were originally trucks with steering wheels on the right-hand side.

Nong Duc Manh Meets Scientists To Review Tasks

BK0905090494 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 7 May 94

[Text] On 7 May, at the Vietnam Scientific-Technological Associations Union Office in Hanoi, Comrade Nong Duc Manh, member of the party Central Committee Political Bureau and chairman of the National Assembly held a working session with representatives and members of various scientific-technological associations.

After hearing scientists, representing more than 300,000 members of the union, report on the activities and achievements of the union during the past period as well as its measures aimed at creating favorable conditions for scientific-technological associations to carry out their tasks effectively, Comrade Nong Duc Manh commended the union members for their efforts and high sense of responsibility. He highly appraised the role and position of the intelligentsia representing various scientific-technological associations in Vietnam. He said that these

people have engaged in research and diversified tasks which have positively contributed to the renovation process. He expressed the hope that various scientific-technological associations would draw on experiences and conduct more creative research to improve scientific projects and apply scientific-technological innovations to the socioeconomic development program, thereby contributing to building the law-governed state of the people, by the people, and for the people.

He also called on these associations to positively participate in the struggle against hunger and poverty, thus contributing to implementing the objectives of making our people prosperous, our country powerful, and our society just and civilized.

Dong Nai Extends Power Lines in Rural Areas

BK0905092594 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 8 May 94

[Text] Since the beginning of this year, Dong Nai Province has spent nearly 12 billion dong on three 15-kilovolt electricity projects to provide electricity service to isolated villages. The first project, at a cost of 4 billion dong, consists of a 15-kilovolt medium voltage line more than 15 km long, connecting Tan Phu District to the boundary of Lam Dong Province and a 0.4 kilovolt electricity line. The other two projects include a power line to Xuan Binh village, a heroic village in Nam Khanh District, with a total cost of more than 5 billion dong, and a low voltage line, at a cost of more than 2 billion dong, to Bao Han Mot village, a former revolution base in Thong Nhat District.

With local funding and public contributions, Dong Nai is trying to provide electricity to all villages in the province by 1995.

Tuyen Quang Electricity Authority's Achievement Noted

BK0705093994 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 4 May 94

[Text] Since early this year, the Tuyen Quang Province Electricity Authority has made considerable investment in building many rural electrification projects to support production and the daily activities of the local multi-ethnic compatriots. Thanks to its good preparations in material, means, and manpower, the electricity authority has completed a 35-kilovolt transformer station and the Tuyen Quang-Ham Yen powerline ahead of schedule in order to channel electricity promptly from the national power grid to serve the multiethnic compatriots of Ham Yen.

At present, the provincial electricity authority is concentrating its capital, cadres, engineers, and means on completing the construction of the Tuyen Quang-Son Duong and Ham Yen-Chien Hoa powerlines and their supporting 35-kilovolt transformer stations in time to celebrate this year's National Day.

Australia

Official Says U.S. Subsidy Hurts Sales Program

BK2904100994 Melbourne Radio Australia in English 0100 GMT 29 Apr 94

[Text] The Australian Wheat Board has been forced to drop its estimates for Australian standard white and hard wheat during the past two months. It has been triggered by subsidy pressures from market competitors such as the United States.

The board now estimates wheat delivered to the 1993-94 pools will return between \$2 and 3 less than last year. Australian Wheat Board managing director, John Lawrenson, said the United States subsidy is hurting Australian sales program.

U.S Air Force Pilots Said 'Acting Like Cowboys'

BK0305104094 Hong Kong AFP in English 0727 GMT 3 May 94

[Text] Darwin, Australia, May 3 (AFP)—United States air force pilots, on air exercises over here, were acting like cowboys and should be stopped, a local political leader said Tuesday.

Recent manoeuvres involving US marines from the Japan-based Marine Group 12 have angered residents in this northern Australian city complaining about the noise and frequency of flights.

"If we cannot control these people, if we can't tell them they've got to abide by the rules that we set... if they won't do that, then they've got to stop coming," the Northern Territory's Labor opposition leader Brian Ede told national radio.

"We cannot allow people to decide that they're going to treat the Northern Territory (and) Darwin as though it is some place where they're going to have a bit of a jaunt."

Australia's Defence Minister Robert Ray has announced two separate studies into the noise effects of air exercises over Darwin, and the regional government also has instituted its own investigation.

Ede said some US pilots had left their flight paths and made flyovers across Darwin suburbs.

"We want an immediate ban on those cowboys," Ede said.

Ede's comments drew an angry reaction from the adjutant of Marine Group 12, Captain Iric Bressler.

"That's totally false," he said. "Our pilots have strict regulations. They fly off strict flight plans, and they go exactly where they're supposed to go and come back... I'm kind of irritated about it."

Earlier this month, it was revealed that, in March, two FA-18 Hornet aircraft flown by the marines mistakenly

dropped dummy bombs as close as 100 metres to a hut containing Americans and Australians.

A subsequent report into the incident at Delamere bombing range, about 350 kilometres (215 miles) south of here, blamed pilot error.

The US marines are due to leave here next week after three months of training.

Vo Van Kiet on Diplomatic Ties With U.S.

BK0205043194 Melbourne Radio Australia in English 0100 GMT 2 May 94

[Text] Vietnam's prime minister, Vo Van Kiet, said his country is ready for the restoration of full diplomatic relations with the United States at any time. Speaking to Radio Australia's Hanoi correspondent, Christopher Kramer, Mr. Kiet said normalized relations would be in the interests of not only the two countries, but the entire region. He said full diplomatic ties were inevitable.

Mr. Kiet committed his government to continuing political reforms, which, he said, paved the way for economic reforms. But asked if Vietnam was moving toward a multiparty democracy, Mr. Kiet said the question was never raised because the priority was to make the country rich and build a civilized society.

Greater International Role for Iran Urged

LD0605132694 Tehran IRNA in English 1137 GMT 6 May 94

[Text] Tehran, May 6, IRNA—Iranian Ambassador to Australia [Mohammad] Ruhisefat in a meeting with Australian Foreign Minister Gareth Evans in Canberra today exchanged views on regional and international issues as well as on human rights.

Evans referred to Iran's importance in the history of world civilization and said the Islamic Republic should have a greater role in international issues.

He added that his country was independent and adopted decisions based on its own national interests.

Export Loss, Trade Barriers Expected From NAFTA

BK0605021894 Melbourne Radio Australia in English 0100 GMT 6 May 94

[Excerpts] A senior official in the United States has forecast the Asia Pacific region and Latin America offer the greatest potential for free trade. The predictions are made in a report by the American trade representative, Micky Kantor, which praises the Asia Pacific economic grouping, APEC. [passage from correspondent in New York omitted]

Meanwhile, the Australian Government has warned that regional countries could suffer a loss of exports because of NAFTA. Concern about exports is among the main

findings of the report by the Australian Foreign Affairs Department on the implications of NAFTA. The report said while the agreement could open new opportunities for Australian companies in North America, its overall effect will be mixed.

It said the main concern is that the United States, Canada, and Mexico will try to increase barriers to trade with other countries.

Evans Opens 16th ASEAN-Australia Forum in Canberra

BK0305053494 Melbourne Radio Australia in English 0100 GMT 3 May 94

[Text] Australia's foreign affairs minister, Gareth Evans, has opened an ASEAN-Australia forum in Canberra, predicting continued growth in links between ASEAN and Australia. It is the 16th ASEAN-Australia Forum and is being attended by more than 100 government officials and representatives of business.

Senator Evans told the forum he expects the growing relationship between Australia and the region to intensify over the next two years.

[Begin Evans recording] The trend in ASEAN-Australia relations is already clear. By 2014 we will be, I believe, significantly closer than even we are today, and forming something of a cohesive unit within a broader Asia-Pacific framework.

In a changing regional environment, I think we need to look to the future of ASEAN-Australia relations and develop further the structures and the linkages to sustain our political and economic relationship into the next century. [end recording]

Evans for Pressuring DPRK To Stop Nuclear Program

BK0205091894 Melbourne Radio Australia in English 0500 GMT 2 May 94

[Text] Australia's foreign minister, Senator Gareth Evans, has called on Asia Pacific region countries to put pressure on North Korea to stop its nuclear weapons program.

Speaking at the ninth Pacific Basin Nuclear Conference in Sydney, Senator Evans said the situation in North Korea was worrying, but not at crisis point. He said a nuclear-armed North Korea would undermine confidence in the Nuclear Nonproliferation Treaty [NPT] and present a serious security threat to the region.

[Begin Evans recording] For the North Koreans, the choice is really a pretty straightforward and simple one—to remain in the NPT and accept the disciplines of the treaty, including full IAEA [International Atomic Energy Agency] safeguards, or, alternatively, it can continue with its nuclear activities in violation of its treaty

obligations and face not only almost universal international censure, but, in time, a package of severe and damaging sanctions. [end recording]

The five-day Sydney conference will discuss the latest developments in nuclear technology and the region's demand for nuclear energy over the next 50 years.

Human Rights Delegation To Visit Vietnam

BK0605025194 Melbourne Radio Australia in English 0100 GMT 6 May 94

[Text] Australia has announced the composition of the parliamentary delegation which will consult Vietnam on human rights. The one-week visit to Vietnam will start on 7 July and will be led by the chairman of the parliamentary standing committee on foreign affairs, defense, and trade, Stephen Loosley. The other two parliamentary members will be the opposition spokesman on foreign affairs Andrew Peacock and the Australian Democrats foreign affairs spokesman Vicky Vaughan.

The consultative delegation to look at human rights and other issues in the relationship was confirmed during the visit to Vietnam last month by Australia's prime minister Paul Keating.

Announcing the delegation's makeup, Foreign Minister Gareth Evans said it would be accompanied by two academics noted for their expertise in Asian affairs and human rights and two prominent Vietnamese now living in Australia.

The academics are Professor Nancy Viviani, dean of faculty of the Asian studies at Queensland's Griffith University; and Professor Philip Olsten, director of the Center for International Law at the Australian National University.

Senator Evans said Australia had taken up the suggestion from the Vietnamese prime minister, Vo Van Kiet, made during his visit in May last year that Vietnamese Australians should go back to Vietnam to see the situation.

The foreign minister said the delegation will include Quang Luu, head of radio for the Special Broadcasting Service and Ho Mai, a Footscray city councillor in Melbourne.

Senator Evans said the delegation was a strong, well-balanced one that had both status and expertise.

Aggressive World Market Strategy Envisioned

BK0505130894 Sydney THE WEEKEND AUSTRALIAN in English 16-17 Apr 94 p 2

[Commentary by economics correspondent Robert Garran and George Megalogenis entitled: "Cook Pictures Aggressive Push Into World Market"]

[Text] Australia is moving into a new era in industry policy aimed at pushing the nation into the global

economy instead of providing help for particular industries, according to the Minister for Industry, Science, and Technology, Senator Cook. "In the last 10 years, we have been inward-looking, removing impediments and opening out our economy," Senator Cook told THE AUSTRALIAN yesterday in his first extended interview since taking over the portfolio in January. "The next 10 years is understanding the marketplace we're in, and being flexible enough to adapt to it and take advantage of it." For the first time, Senator Cook spelled out a detailed framework for the industry statement that will be part of the White Paper on employment to be delivered by the prime minister, Mr Keating, on May 4.

The statement will have two broad goals: to boost the competitiveness of local industry and to improve access to international markets. Cutting tariffs had largely forced industries trading in world markets to become competitive. In the non-traded goods sector, the important issues were micro-economic reform and competition policy, Senator Cook said. The agreement by the States to expose their business enterprises to more competition, by agreeing to the Hilmer report recommendations, was crucial in spurring micro-economic reform at a State level, he said.

The other important way to boost competition was to address the question of access to finance by small and medium-sized companies. "There will always be a fairly clamorous argument between the providers of finance and the seekers of finance," Senator Cook said. While the banks had all said they would do better by lending to small and medium-sized business the system could be improved. While he would not give details it is believed a package of finance measures will be a key part of the industry statement. It is expected to include an education campaign for both lenders and borrowers to overcome the traditional reliance on lending against assets without considering lending against cash flow, as well as improvements to pooled development funds and infrastructure bonds and more relaxed rules for direct bank investment in companies. Changes are also expected to enhance the role of the Commonwealth Development Bank which provides venture finance capital for small business.

Senator Cook also foreshadowed improvements to research and development incentives—now a 150 per cent tax write-off. "There is a case for the Government to investigate how it encourages that investment to come sooner and quicker, in higher technology, in computer-aided manufacture, and to develop the necessary networks in industry in the small to medium-sized companies, to encourage them to embrace that with a bit more confidence," he said. The Government was still considering whether to give incentives to multinational firms to set up regional headquarters in Australia. Senator Cook outlined a two-pronged strategy to boost industry access to foreign markets: improved access to advice from Austrade and on other government schemes and bodies, and a bigger effort, after completion of the Uruguay Round of world trade talks, to reach bilateral trade

agreements, especially with Asian countries. It was also important for Australia to encourage both China and Taiwan to join the new World Trade Organization, he said. Senator Cook's strategy builds on the past decade, when industry policy was dominated by former industry minister Mr John Button, whose chief goal was to manage the dismantling of the tariff wall around Australian industry.

Editorial Views New World Trade Order

BK0505132794 Sydney THE AUSTRALIAN in English 15 Apr 94 p 12

[Editorial: "At Last the New World Trade Order"]

[Text] No country has worked harder than Australia to obtain agreement for the more liberal trading arrangements to be signed tonight into the General Agreement on Tariffs and Trade. As initiator and chair of the Cairns Group, which drew together a lobby of like-minded traders to raise a more influential voice among the giants of world trade, Australia has been diligent, consistent, and tenacious in its advocacy for the new regime.

The doubting and protectionist nations have not been vanquished: they remain formidable and will continue to attempt unilateral, managed trade where it suits them. Some of the sectors incorporated into the GATT have still to be determined properly, and while fears of a world broken into exclusionary trading blocs have lessened, that threat has not disappeared. It remains to be seen how committed regional associations such as the European Community and the North American Free Trade Agreement will be to giving precedence to the multilateral GATT.

But for all its faults the GATT, to come into effect next year through a permanent governing body, the World Trade Organization [WTO], is a powerful instrument for global enrichment. Fairly employed, it is capable of benefiting every signatory nation and could increase the value of export production by \$325 billion [currency not specified] a year. To give one illustration, French consumers who last year watched their nation's farmers do their destructive best to thwart the deal will enjoy a cheaper and wider range of goods on their supermarket shelves, courtesy of a reduction in subsidies and enhanced competition emanating from trade freedoms.

Despite the failure to achieve as much as the free traders had sought during the seven years of hard bargaining that constituted the Uruguay Round, Australia and its fellow groupers can claim a significant triumph out of this week's ceremonies in Marrakesh. Our representative at the 125-nation conference is the Minister for Trade, Senator McMullan. But among all the Australians who deserve personal credit and recognition for their long-term roles in the negotiations two especially stand out: former trade minister Mr John Dawkins and senior negotiator Mr Peter Field. Next month the Cairns Group will assemble to consider its future. There have been occasional rifts - in the latest, Australia is quite rightly

threatening to take one of its fellow members, Canada, to the WTO because Canada has improperly increased trade barriers on some farm products. But the group has generally held together very well indeed and been a highly effective alliance.

The new GATT, which member nations are expected to pass into domestic legislation before it takes effect from next January, will remove or lower trade tariffs and progressively free global trade in services, agriculture, textiles, and government procurement. Specific liberalization in some of these sectors has yet to be agreed, but for the first time they have been brought into the framework of rules, disciplines, and international disputes procedures. The next big step will be to resolve these outstanding points and negotiate the entry of the financial services and telecommunications sectors. Some rich nations are also pressing for uniform labor standards to be incorporated into these trading arrangements. That issue, which has understandably been condemned as protectionist by developing nations, should not proceed without careful study and debate.

Rather, the priority now should be to extend the GATT's inclusiveness by enrolling China. Beijing has been pressing for membership since 1986. Its application has rightly been supported by Australia and this week obtained conditional backing from the United States, the EU, Japan, and Canada. China stands to have the world's biggest economy by early next century. It is unthinkable it should continue to be isolated from the world economy. It would be a natural and auspicious beginning for the new world trade order to be inaugurated with the admission of what may become its biggest member.

White Paper on Employment, Trade Issued

BK0405091394 Melbourne Radio Australia in English 0630 GMT 4 May 94

[From the "International Report" program]

[Text] The Australian Government has made a major statement on employment and economic growth, calling for Australia to cut its jobless rate by half by the year 2000. The White Paper presented to Parliament by the prime minister, Paul Keating, says Australia can bring its unemployment rate down to five percent by the turn of the century.

To support the job strategy, Mr. Keating pledged to spend an extra Australian \$6.5 billion over four years. From Canberra, Graeme Dobell reports:

[Begin Dobell recording] In its first White Paper on employment in nearly 50 years, the Australian Government says it will make sweeping changes to the social security system and what it calls landmarking labor market programs.

Much of the analysis is couched in the language of economic rationalism, arguing for jobs created by economic growth needing no government subsidies. It calls for continued low inflation, improved competitiveness, and productivity and further reforms of the Australian economy. But the White Paper says economic growth alone will not do enough for the long-term unemployed and truly disadvantaged. These are the 400,000 of Australia's one million unemployed who have been out of a job for more than 12 months.

The response is what is to be known as the job compact—a promise that anyone who has been drawing unemployment benefits for 18 months or more will be given a job. The government says it will provide training and support to give 6-12 months work, primarily in the private sector. The job compact promises some unemployed a training wage, so they can combine work with training.

The government says that by the financial year starting in the middle of next year, this employment and training promise will cost an extra Australian \$2 billion. But this will be partly offset by savings of \$800 million in unemployment benefits. The government will be budgeting in next financial year for extra \$280 million to support the income of the unemployed and low wage earners, \$160 million for industry and trade schemes, and \$50 million to help develop remote Australian regions where jobless rates are the highest.

The trade policy repeats Australia's commitment to link into the dynamic economies of the Asia-Pacific and enhance the multilateral trading system to be based on the World Trade Organization. The paper notes that by 1996, Australia's general tariff rate will be a maximum of five percent—the end point of a tariff cutting regime starting in the late 1980's.

Recent Australian reports had suggested that tariff cuts could continue down to a maximum of three percent by the year 2000, but the government has backed off from that idea. Instead, it has announced that the general five percent rate will continue beyond 1996. Canberra says this is one of the lowest maximum tariff rates in the world and thus developing country preferences will be phased out for all but the poorest countries.

In answer to many criticisms from Southeast Asia, Canberra has also pledged to amend its antidumping legislation, so it is closer to GATT standards.

In conclusion, the White Paper says that Australia has the chance to get the balance right to achieve a dynamic economy but also offer every Australian the right to a job. The government statement says Australia's aim is to enter the next century with one of the world's most sophisticated and efficient economies underpinning one of the world's most equitable and cohesive societies. [end recording]

Fiji

Rabuka Interviewed on Foreign Relations

*BK0505124294 Suva ISLANDS BUSINESS
PACIFIC in English Apr 94 pp 26, 27*

["Excerpts" of an interview with Prime Minister Sitiveni Rabuka by senior writer Vasiti Waqa; place, date not given]

[Text] On Fiji being a leading nation in the region:

A lot of people think we are the leading nation in the Pacific. It has not been by design, it has been by the unalterable facts of geography, our own geography, our own position as being in the hub of the Pacific. We are in a position where we can play a vital role in these communication links. Therefore it will be in our interests to promote cordial relationships between our neighboring territories and our neighboring continents, so that they conduct their business amicably and we therefore benefit by the fact of our position.

On claims that Fiji's presence at regional gatherings has been Maybe we have just reassessed our participation. I believe our efforts are still the same, whether they may not be as high profile as they used to be. Probably there's personality differences. Whereas when Ratu Sir Kamisese (Mara) was there he was always the focus of attention. But now we are all there, more as equals. During his time, people sort of kept away from him. Now we gather and we find that we are able to conduct ourselves comfortably with each other. There is no generation gap, there is no cultural gap.

On what Fiji can do to boost trade with and between smaller island states:

At the Honiara Forum I mentioned that we were in a position to be able to help and right now we are in the process of finalizing a memorandum of understanding on fisheries and also on handicrafts with Tuvalu. I have also offered the Kiribati government a six to 12-month rent free accommodation if they wish to set up an embassy here. We had promised that we would help with the Kanak education fund. We are ready to help smaller Pacific Islands neighbors. We have done away with the visa fees for students, and those are the little things that we can do but they mean a lot.

On why Fiji is taking time to join the Melanesian Spearhead Group:

Because we do not want to join something that might break up the bigger community of the Pacific, particularly the Forum. They, the Melanesian group, might feel that they have common problems, Fiji might identify with some of those problems. But we also have problems that are felt by the Micronesian and the Polynesian people. So we feel that if there is nothing concrete that we can get out of it then we should not jump into it. Our manufacturers are saying it is now very difficult to go

into the PNG [Papua New Guinea] market because they have special deals with the Melanesian Spearhead Groupings and different ones for us who are not in that group. Those are things that we will have to consider.

On whether Fiji is likely to pursue a "look north" policy similar to that of PNG:

I said that in 1987. Where else can we look? They (PNG) look north because north is where the market is, the sources are, and we will have to look that way also. We know that we have been looking west, towards Australia. And towards New Zealand. Our horizon is now getting broader and broader. The world is getting smaller. We have non-stop flights to Asia and it is only natural that we should also look north.

On frequent accusations that Fiji is trying to control the regional University of the South Pacific [USP]:

Our government contributes most financially to the USP. We also have the largest number of students. Perhaps it is because of that reality that the smaller island nations who do not have as many students there as we do, perhaps do not contribute as much as we do, feel that Fiji has got a heavy handed attitude towards the Pacific and that we want to control it. I wish we could control it. But we can't. We have tried to be sensitive to the perception of our regional neighbors and we have always conducted our business with the USP with the utmost discretion so that we do not offend or do not fan this flame of this perception that we feel that USP is a household item of the nation of Fiji. We want the University to continue to be a regional institution of higher learning and we want it to continue to contribute.

On relations with New Zealand:

New Zealand will never have the same understanding that we would like to have foreign governments have about our situation in Fiji. And it is wrong for us to expect them to have the same understanding because they belong to a different culture. For someone like Mr (Don) MacKinnon (New Zealand foreign minister) to get up and say what he said, he would have said it in good faith, he would have said it because that is what is acceptable in New Zealand to say, acceptable internationally to say, but for Fiji it is a very sensitive issue, that he does not see as a sensitive issue in Fiji, the way we see it. And that is why we had that minor exchange where we said: 'Well, don't try and come and tell us what to do when you can't even do what you're supposed to be doing to your own people.' And he will probably feel, 'Oh what do you know about what is happening here in New Zealand?' I feel that our relations, between Fiji and New Zealand, are so strong that differences in views like that will not affect them.

On inviting India to reopen its embassy in Fiji:

We must realize that there has not been any severance of diplomatic relations, just the closing down of the embassy and it was because of the personalities

involved... (The) ambassador here, was conducting some activities that were seen to be outside the scope of his duties, as far as the international protocols are concerned, the conduct of diplomatic relations and duties, therefore he had to be asked to leave. They went a step further and closed down.

On renewing ties with the Commonwealth:

You will probably recall that in 1987, after the coup, the Bose Levu Vakaturaga (Great Council of Chiefs) passed a six-point resolution, one of them was the production of a new constitution, and among those other five was that attempts be made to reestablish our links with the Commonwealth. And this was brought out in his excellency's address (Ratu Sir Kamisese Mara's speech at the opening session of parliament). We were hoping that we might have some of our friends talking in our favor at the last Commonwealth Heads of Government Conference in Kuala Lumpur. Nothing really came out of that. Now we are looking to next year in New Zealand. Our expectations were knocked back a few steps by Don MacKinnon's statement, so I am not very optimistic that we are going to gain very much ground between now and 1995. It is not fair for us to expect these governments who have been talking about our constitution to suddenly say 'O.K, come in' while now we are in the process of reviewing our constitution.

On whether Fiji has been lobbying to get back into the Commonwealth:

We are not lobbying. I personally believe that we should leave it. By our very own actions sort out our own internal problems, show the international community, particularly the Commonwealth community that we are responsible enough to address our own problems which they perceive to be one that is against humanity and one that is against a race. Let us solve that and show to them that we are a responsible nation.

On the future of Fiji's peacekeeping troops in the Sinai and Lebanon:

The peacekeeping situation in Sinai and Lebanon we might be able to call an expenditure neutral activity because we are reimbursed the amount of money we spend to mount those two battalions. They are serving a very useful purpose, not only in keeping our young men occupied and employed but we are showing to the world that we are serious about the UN's attempt to maintain a peaceful globe. We will continue to do so as long as we are welcome and I think that the reputation that we have established and maintained is such a very high standard that we will continue to be welcome.

On whether the United States has done enough to start the Joint Commercial Commission:

Nothing has really happened since the last time we spoke about it, and these things take time perhaps. Because of the big machinery of the United States, it probably takes

longer than for us smaller economies, smaller governments to get things going. No I cannot say that because it might be taken as criticizing the United States because they have not done enough. Maybe they are waiting for us in the Pacific to come out and say, look do it this way, we want it this way, rather than be seen as the big brother handing out sweets that you don't need. They have taken a step back and sort of waited for us to come forward and say this is the way we want it because this is the way it will work for us.

On his views on the movement for the freedom of Irian Jaya (West Papua) from Indonesia:

We have to be very careful about what we say about all these so-called indigenous movements within internationally recognized boundaries and borders. If we went ahead and said 'OK, we sympathies with the people of Irian Jaya. We think they should be known as a separate state or they should join this state,' how would we deal with the question of the independence of Rotuma, as being espoused by Gibson, out there in Auckland somewhere? It is more than just indigenous groups struggling for their own recognition. They are a part of a nation. So it would be wrong for us to go and try and say to them we wish you well in what you are doing, because it would appear that we are treading into an area that we are not supposed to because we are interfering with the sovereign decision of a sovereign state.

What is Irian Jaya at the moment? It is part of Indonesia. It is not a colony of Indonesia, it is part of Indonesia, it is up to them, if they can get a voice heard in the committee of 24 of the United Nations, the decolonization committee then perhaps that is the way for them to go. It would be wrong for us to unilaterally say anything about them, but if we were part of the committee of 24 decolonization committee then we could contribute that way. But it is up to them to try and get a hearing out there in the General Assembly or one of its committees.

[The following two answers appeared in separate boxes within the text of the item]

On Bougainville and the South Pacific Forum:

There have been lobby groups who have tried to bring the issue to be discussed on the agenda of the Forum. There has been some mention in the past but only casual mention because we, each of us, realize that the Bougainville issue is an internal problem that Papua New Guinea is trying very hard to resolve. Whenever we have this problem we will always get a lot of exaggeration, one way or the other, particularly on the suffering side. One picture could be reproduced so many times during the week and we could be looking at one picture, seven days a week, and you think that it is happening every day. I am not saying that there is no problem, no suffering, there is suffering, I believe. But it is something that I have been assured by the PNG officials that... that they are trying to do their best to resolve.

On protests about French nuclear tests:

Perhaps you have noticed that there has been no condemnation of nuclear testing because there has been no nuclear testing. It has been suspended and Fiji has been right up there with all those who are asking the French government not to resume testing of nuclear armaments and nuclear devices here in the Pacific, particularly on Mururoa and if there had been any perceived softening of opposition that is not the case. Our friendship with France is still there and when people conduct their international relationships, things like this do not normally affect them, particularly when it is between a big nation like France and a small like Fiji.

'Challenge' to Rabuka's Ruling Power Assessed

BK0505122594 Suva ISLANDS BUSINESS
PACIFIC in English Apr 94 p 22-25

[Article by Vasiti Waqa: "The Rabuka Saga"]

[Text] Sitiveni Rabuka's compact new month-old government vaulted its first hurdle. It was a shock challenge to the political security of the 45-year-old prime minister. It came to light at a Soqosoqo ni Vakavulewa ni Taukei [Fijian Political Party—SVT] caucus meeting at which a handful of Rabuka's 31 SVT members of parliament, who were dropped from his ministerial line-up, asked questions about his personal life. The issue was discussed at the party's second caucus on March 16, the day before all parliamentarians were sworn in. Issues raised could have deposed prime minister Rabuka if more members were stirred by them. But for the most part, they dismissed it as a bygone matter and for the sake of unity and party survival supported him. Rabuka's frankness and his admission, to parliamentarians and management board members, of an extramarital affair won him points for frankness and transparency. His clear offer to them to choose another leader if they no longer had any confidence in his leadership also gained him support. But despite repeated assurances of full party support, since the issue was made public, questions could still linger in some minds about his suitability as prime minister. The doubts could make his leadership role rather uncomfortable and perhaps contribute to government uncertainty.

Five former government ministers in his first government's cabinet were unhappy about Rabuka's personal life and questioned it. Two were formerly of cabinet rank, Ratu Inoke Kubuabola and Koresi Matatolu, and three state ministers—Kiniviliame Taukeinikoro, Mesulame Narawa, and Joeli Kalou. They made their views known in a letter to Rabuka in which they withdrew their support from him as prime minister and asked him to resign immediately. They first criticized him for inviting the National Federation Party to join the SVT in a coalition government, without the "clear mandate or authority, let alone blessings" of the great council of chiefs and the general caucus. They also accused him of "committing adultery" in October last year, "with a

woman journalist", on the chiefly island of Taveuni where his province of Cakaudrove was holding its provincial council meeting.

Personal Attack

When asked if he would have accepted a party decision that he was unfit to lead because of his extramarital affair, Rabuka responded: "Yeah, right, exactly, and I had already warned out the president." On whether he had discussed the challenge with others in the caucus before the general discussion, Rabuka said: "No I didn't need to. It was a personal attack on me and I had to deal with it the way I thought was proper." Rabuka was asked about the issue being raised in the light of his party's relative success at the polls and generally positive response to his more streamlined 12-member cabinet. He said: "It was brought up in caucus, it was dealt with in caucus, and it was finished in caucus. I don't think there is any need to do any more than that. It was our own internal one, within caucus, and that has been resolved. Going back to the number of cabinet ministers, that is solely the prerogative of the prime minister and if people believe that they have been unfairly dumped or they have not been favorably considered then it's up to them. But if we were to change our prime minister, can there be a guarantee that they (axed ministers) will come in? You cannot satisfy everybody all the time people. You might be able to satisfy some people all the time, all the people some time but never everybody all the time."

He was also asked if he was satisfied that the issue had been resolved now: "I am satisfied that it is now behind us. If there are any who are still harboring those feelings I am sure it will come out and when it comes out, it comes out." On whether a prime minister's personal life, in this case an extramarital affair, was an issue for leadership, Rabuka said: "Within the party, within the group they might consider that and if it is something that we resolve in the party and the caucus feels, OK, you are no longer fit to be our leader, let's pick another one. So it's on that basis that I opened it up for discussion that day. And I asked those who tried to bring it up to say right, if you are defeated, will you come along and we all keep the party working together, because we owe it to the people to make this government work. And that was how it was resolved. So I don't know, these are personal things that people might want to bring up or question."

Public Property

He later said: "I think people in high office like presidents and prime ministers should expect that. They are no longer their own, they are in fact really public property and people want to look at what you are, what you are like, what you eat, what you wear, so they (leaders) must expect that and if the nation feels you are not good enough, or if your party feels you're not good enough to lead, you face it."

The five who wrote to Rabuka were also members of a cabinet prayer group, along with Rabuka and others.

Sources say they could also have been inspired by groups of people outside the parliamentary caucus who believed Rabuka should step down as prime minister. Concern also arose from the group's spiritual interest in Rabuka's life as an avowed Christian and Methodist lay preacher. He has reportedly stepped down from his position as lay preacher. Kubuabola, an official in the Baptist church, has been a close associate of Rabuka's and is reported to have confronted him about possibly compromising incidents in the past.

Letter

Party sources say before it was raised in caucus Kubuabola met him to suggest he resign. Rabuka reportedly told him to bring the matter up at the party caucus but Rabuka himself took the initiative to raise the subject at the meeting and read out the group's letter. Sources say prior to the discussion, Rabuka may have suggested Kubuabola and others would get cabinet jobs in a planned expansion immediately before or after the announcement of the new budget, this month. A close Rabuka confidante and backbencher reportedly tried to play the part of a go-between—attempting to placate Kubuabola and the other four on behalf of Rabuka.

Objections to the matter being raised by Kubuabola were heard from about a quarter of the parliamentarians and party management board officials before the party resolved to put the whole matter behind it. Sources say if there was any suggestion that Rabuka should step down because of the incident, these were brushed aside and his leadership and authority reconfirmed. Said one parliamentarian: "Rabuka was wise to bring it to caucus. This way he has cleared the air and once again gathered support." Some signatories to the letter withdrew after some discussion. Said Kalou: "The matter has been settled and I don't want to make any comment." One backbencher, who spoke on condition of not being identified, said: "I am glad the issue was discussed. It is good so that they (leaders) will know that we and the people are watching and they can behave." With the air cleared, government could get on with the business of running the country. It was a healthy sign for the party and they preferred the issue be discussed rather than having it swept under the carpet. They said open discussion meant an end to further grumbling and whispering in the back benches. There is some doubt as to whether Rabuka's judgment was altogether sound in taking the matter to caucus because he forced Kubuabola to discuss the issue in a forum where it was not altogether welcomed. By alienating Kubuabola in that manner, Rabuka has sacrificed a former political ally and right hand man. Kubuabola and Rabuka go back to the fiery nationalist marches leading up to the military coup of 1987 and the Taukei movement that was formed through it.

Public Discussion

The issue is an interesting test case for Fiji, where more public discussion is being generated about the private lives of public figures. Being a relatively small and

closely knit nation of 758,000, discussion about questionable actions of Fiji's public figures and leaders are inevitably confined to informal yaqona bowl discussions and the cocktail circuit. The caucus challenge and the reasons for it were alluded to by Fiji's two English dailies, the Fiji Times and Daily Post, and first disclosed in the local monthly magazine *The Review*. The impact of this unprecedented public airing will perhaps not be known for quite some time. It could be used by opposition Fijian parties for political mileage against Rabuka, and other Soqosoqo ni Vakavulewa parliamentarians at political and Fijian communal gatherings.

If Rabuka had decided not to take the issue to the caucus he might have had a more difficult time dealing with Kubuabola and his group. Among the questions being asked now are:

- will other ministers or Soqosoqo ni Vakavulewa ni Taukei parliamentarians be questioned about their private lives?
- would Rabuka have been confronted over the affair if he was a chief not a commoner?
- and Can Rabuka now expect to be queried about every aspect of his personal life?

The issue of Rabuka's affair will hang over the prime ministership for quite some time. Even if it doesn't have any serious impact on his political position, it's the kind of headache party officials and supporters could well do without.

Although the government now has 31 seats, one more than last time, its coalition with four General Voters' Party members has been cut by one. That, plus the support of two independent parliamentarians, gives it back its previous total of 37 seats. This time though, observers say their position is weaker because the five Fijian opposition parliamentarians of the Fijian Association are strongly opposed to the government, unlike their predecessors. Former Fijian opposition members from the Fijian Nationalist United Front and Soqosoqo ni Taukei ni Vanua had some empathy for government policies and supported Rabuka.

Broken Ranks

There are 37 seats for Fijians, 27 for Indians, five for Generals (islanders, part Europeans, and others) and one for Rotumans under the pro-Fijian 1990 constitution. The only Fijian non-SVT representatives elected were Fijian Association candidates from Lau in eastern Fiji and Naitasiri in central Viti Levu, Fiji's main island. Lau was seen to have broken ranks with the Great Council of Chiefs and its party, the SVT, by voting for the party which was endorsed by its provincial council and its own chief Ratu Finau Mara. He was previously the Lau member for the SVT, and it was primarily because of him that his party swept all three seats in his home province.

Former deputy prime minister and foreign minister Filipe Bole was defeated by 684 votes. His loss was a loss for the whole government side, especially in government and foreign affairs. Bole's expertise in the constitution review process was also going to be a loss for the Jai Ram Reddy-led National Federation Party and for the Indian opposition as a whole. On the government side, Bole is the best versed with the whole constitution review process. Indian leaders know him and have worked with him. So government has appointed him their special consultant on constitution review and will be involving him as closely as possible on this issue.

Naitasiri disproved the generalization that Fijians followed their chiefs to the polls. Steered by strong anti-government feelings, Naitasiri went against its more prominent chiefs, and backed lesser chiefs and a Soqosoqo ni Vakavulewa ni Taukei dissident, Ilai Kuli, to vote against the ruling party. Fijian Association party leader and former deputy prime minister in Ratu Sir Kamisese Mara's interim government, Josevata Kamikamica, said support for the SVT came mainly from ties with the Great Council of Chiefs. "The election was also focussing on the leadership, on the style of leadership, and I think the results really show that the Fijian people prefer Rabuka and Rabuka's leadership."

Grooming

Kamikamica said the Fijian Association "would like to groom, and help in the process of developing younger leaders. We have some very talented young chiefs, Ratu Finau (Mara), Ratu Apenisa (Cakobau, son of the late governor-general and high chief Ratu Sir George Cakobau), Ratu Edward (Tuivanuavou, a former army officer), and Ratu (Viliame) Dreunimisimisi (son of Fiji's late deputy prime minister and foreign minister Ratu Edward Cakobau and a former cabinet minister in Rabuka's 1992 government).

While theories have come and gone about different groups challenging Rabuka's leadership from within the party, Rabuka and party officials know they aren't out of the woods yet. Beyond the party circle and by Rabuka's own admission, cabinet is going to have to work hard to keep their enemies at bay. A piece of paper pledging loyalty and support for Rabuka, that all 31 SVT parliamentarians signed the day after their victory was announced, isn't enough to bind them. Rabuka may have to hand out a few more cabinet appointments to those on the back bench who want them and find other ways and means of keeping his team happy. The theory that February election gave him an opportunity to clear out detractors and gather true blue supporters is now being tested.

New Guinea

Indonesian 'Occupation' of New Guinea Criticized

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PACIFIC in English Apr 94 p 11,12

[Editorial: "Indonesia's Evil Occupation in New Guinea Can't Be Ignored"]

[Text] When, now and then, questions are asked about what Indonesia is doing in East Timor, it is time to think again about what Indonesia is really doing in the western part of New Guinea it calls Irian Jaya. In East Timor, a Portuguese territory it invaded, Indonesia admitted eventually and reluctantly that its troops slaughtered about a hundred students in the infamous Dili massacre. That was the last official figure. Now stories are emerging of how other people wounded by troops had their heads smashed in by soldiers, one by one, as they lay in their own blood in hospital, or were systematically poisoned. Still later reports, based on observations by western journalists who risked their lives to learn what is really happening in East Timor, suggest a scale of systematic murder of the population. If the reports are accurate, it spells genocide. If the scale of what the Indonesians are doing to the East Timorese people is debatable, it obviously is on a scale enough to mean death, torture, imprisonment, and terror for a great number of people who would rather not live under corrupt and dictatorial Indonesian rule.

And so to Western New Guinea. This is a former Dutch territory which, we shan't tire of reminding our readers, was handed shamefully to the Indonesians on a plate thanks to a sham United Nations vote pressured for by the Americans at a time when it was Washington's policy to do anything at all to curry favor with anti-Communist Asian regimes.

The Melanesian people of Western New Guinea were never allowed a scrap of "self determination"; their fate was determined for them. Ever since, they have been the victims of Indonesian colonialism. Many western New Guineas have been jailed, tortured, and killed for seeking independence for their country; many continued to be jailed, tortured, and killed. Various organizations and people critical of Indonesia quote various figures. These are suspect. But not suspect enough to deny the truth of reports that show the Indonesian regime in occupied western New Guinea to be oppressive.

In western New Guinea, the Indonesians are simply probably doing a better job hiding their crimes there than they are in East Timor. Recently, to their credit, the Americans have taken note of what is happening in East Timor and are now limiting the supplies of arms to the Indonesians. Not so the British, who after being so indignant about the Falkland Islands, Kuwait, and Bosnia have no qualms about selling jet warplanes to the Indonesians, as they are happily doing so now.

The Indonesians regularly invade Papua New Guinea to kill indigenous rebels who cross the border from the occupied western half of the island. There is some evidence, which the Papua New Guinea government appears to want to ignore, that Indonesian troops recently killed a dozen or more Papua New Guinea villagers.

Some of Indonesia's neighbors, and countries like Britain who want to sell it arms, make a great effort to

whitewash the Indonesians. Indonesia is a huge market of 200 million. This is what attracts the British, Americans, French, the Australians, and other exporting countries. It is a militarily powerful, dictatorial, corrupt, aggressive, and expansionist country, which is what frightens Australia and Papua New Guinea. Indeed Australian Prime Minister Paul Keating, at the time hot on Kuwait too, described Indonesia as "no country is more important to Australia". He heads a government with a policy which wreaks of appeasement where the Indonesians are concerned.

Alas, there is very little that can be done about Indonesia except to treat it with caution. It is too big and dangerous to do otherwise. One small bloom in the desert is that some Indonesians acknowledge their sins and that the seeds of democracy and decency in their country are beginning to sprout. Unfortunately, the growth rate of these delicate plants is unlikely to be fast enough to be of any help to the East Timorese or the west New Guineans. They are doomed to be devoured by Indonesia. Australia, and Papua New Guinea's mental agony is: could we one day be gobbled up too?

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